



CR# 24797
#50.00

November 26, 1999
Via Overnight Delivery

RECEIVED
ADMINISTRATIVE

99 NOV 29 PM 4 04

NOV 29 1999

EXECUTIVE SECRETARY

TN REGULATORY AUTHORITY

JR

210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37219-0412
(615) 741-3939

**RE: Facilities-Based Local Telecommunications Application of
LightNetworks, Inc.**

Dear Sir or Madame:

Enclosed for filing are the original and ten (10) copies of the above-referenced application of LightNetworks, Inc. for authority to offer facilities-based local and long distance service in Tennessee.

Also enclosed is our check in the amount of \$50.00 for the application filing fee.

Please acknowledge receipt of this filing by returning, date-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

If any questions arise regarding this filing, please do not hesitate to call me at (407) 740-8575. Thank you for your assistance.

Sincerely,

Connie Wightman
Consultant to LightNetworks

CW/ig.

enclosures

cc: M. Eston Kirby, Jr., LightNetworks
File LightNetworks - TN Local
TMS: TNL9900

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the matter of the Application of)
LightNetworks, Inc.)
for Authority to Provide)
Facilities Based Competing Local and)
Long Distance Telecommunications Services)

99-00911

**APPLICATION FOR AUTHORITY TO PROVIDE
FACILITIES BASED LOCAL TELECOMMUNICATIONS SERVICES**

Pursuant to applicable Tennessee Statutes and the Rules and Regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), LightNetworks, Inc. ("LightNetworks") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant to LightNetworks authority to provide facilities based local and long Distance telecommunications services, including exchange access telecommunications services, within the State of Tennessee. LightNetworks is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of facilities based competing local and long distance telecommunications services.

In support of its Application, LightNetworks submits the following:

1. The full name and address of the Applicant is:

LightNetworks, Inc.
981 Ashby Street, Suite 103
Atlanta, Georgia 30318
Telephone: (404) 877-1190
Facsimile: (603) 699-0060

Questions regarding this application should be directed to:

Connie Wightman
Technologies Management, Inc.
210 Park Avenue North
Winter Park, FL 32789
Telephone: (407) 740-8575
Facsimile: (407) 740-0613

1. Contact name and address at the Company is:

Jeffrey D. Smock, President & Chief Executive Officer
LightNetworks, Inc.
981 Ashby Street, Suite 103
Atlanta, Georgia 30318

Telephone: (404) 877-1190
Facsimile: (603) 699-0060

2. Names and addresses of all officers in Tennessee.

The names and addresses of the Applicant's principal corporate officers and other senior managers responsible for Tennessee operations are listed in Attachment A of this application. At least initially, none of LightNetworks' corporate officers will be located in Tennessee.

3. Corporate Information.

LightNetworks, Inc. was incorporated in the State of Georgia on August 31, 1999. A copy of LightNetworks' Articles of Incorporation are provided in Attachment B, and a copy of LightNetworks' Authority to transact business in the State of Tennessee is provided in Attachment C.

4. Repair and Maintenance Information.

LightNetworks understands the importance of effective customer service for local and long distance service consumers. LightNetworks has made arrangements for its customers to call the company at its toll-free customer service number. The correct toll-free number will be printed on the customers' monthly billing statements. In addition, customers may contact the company in writing at the headquarters address.

5. Status of LightNetworks in other states.

LightNetworks is in the initial stages of filing for certifications and is not offering service as of this date. LightNetworks has obtained local facilities-based authority in Georgia and plans to be operational in that state in the first quarter of 2000.

6. Financial, Managerial and Technical Qualifications.

LightNetworks possesses the managerial, technical and financial ability to provide local and long Distance telecommunications service in the State of Tennessee as demonstrated below.

6.A. Financial Qualifications

In support of its financial qualifications, LightNetworks, Inc. highlights the following information:

LightNetworks, Inc. ("LightNetworks") has sufficient financial capability to provide the requested telecommunication services in Tennessee, the financial capability to maintain these services, and the financial capability to meet its lease and ownership obligations. Attached are the following financial documents to support LightNetworks' financial capability:

1. Proforma Statement of Operations for the period ending 12/31/99 through 12/31/02
2. Proforma Balance Sheet for the periods ending 12/31/99 through 12/31/02
3. Proforma Cash Flow Projection for the periods ending 12/31/99 through 12/31/02

LightNetworks has incurred normal start-up costs of entering the local exchange and long distance telecommunications market. As with most ventures, LightNetworks expects profitability to be achieved within three years on entering a new market. LightNetworks has the financial strength to absorb start-up losses.

6.A. Financial Qualifications (continued)

Provide the cost of the proposed network, switches, or unbundled network elements

Projected costs for the network switch (hardware and software) and collocation related costs for interconnection to unbundled network elements or loops are approximately \$700,000 and \$1,400,000 respectively. These costs are included in the financial business plan in Attachment E under the columns labeled collocation / application / preparation, equipment lease payments, loop installation costs and software rights payment.

Provide details of the funding for the proposed network, equipment purchases, or payment for UNEs such as, a) internally generated funds (cash, marketable securities); (b) letters of credit; (c) loan commitments; (d) vendor credit; and (e) provide a three (3) year capital budget outlining the specific equipment to be deployed, where it will be deployed, and its cost. This should cover Tennessee operations, as well as the parent company (or whoever is responsible for financing the Tennessee operation)l Also provide the sources of capital.

- A copy of a Letter of credit from Ascend Communications for \$25,000,000.00 is provided in Exhibit E. Additional Lucent funding and credits will be made available after mid-2000.
- Venture capital funding is or will be available to adequately handle the business plan needs and deploy the network in Tennessee.
- Financial statements do not reflect reciprocal compensation. LightNetworks will provide Internet DSL services but our business plan is to target small business customers with a total package of telecommunications services.

Indicate whether financial statements reflect any amounts related to reciprocal compensation for terminating ISP traffic and quantify these amounts, if any.

Summary

As noted in the analysis documented above, the Company has prepared adequately for its venture into the local exchange services and long distance market. The Company has

sufficient financial capability to provide the requested telecommunication services, meet all lease and maintain a large Customer base.

6.B. Managerial Qualifications

As shown in Attachment F to this Application, LightNetworks has the managerial expertise to successfully operate a telecommunications enterprise in Tennessee. LightNetworks' key executives have extensive backgrounds in the telecommunications industry and possess the managerial qualifications required to provide local and long distance service.

6.C. Technical Qualifications

LightNetworks' services will satisfy the minimum standards established by the TRA. The Company will file and maintain tariffs in the manner and form required of competitive local exchange and long distance telecommunications companies with which LightNetworks seeks to compete. LightNetworks will meet the minimum basic standards, including quality of service and billing standards required of all LECs regulated by the TRA. LightNetworks will comply with TRA rules, including Chapter 1220-4-8.

Location and deployment of Network

In Tennessee, LightNetworks, Inc. will deploy a Lucent Central Office Telecom type switch initially in Nashville in mid-2000. The switch will be capable of handling the general telecommunication needs of business customers (to include business lines, Centrex, Long Distance, fax lines, DSL and Internet services.) The LightNetworks switch will be connected via leased transport facilities to LightNetworks deployed collocation equipment sites that will be installed in specific BellSouth Central offices within the Nashville area. At the collocation sites the LightNetworks equipment will interconnect to BellSouth's unbundled loops that go directly to the customers.

Name of Engineers or Engineering Firm overseeing technical aspects of Network.

LightNetworks is using primarily equipment manufactured and sold by Lucent Technologies and Lucent will be providing technical oversight and assistance to include initial equipment installation and maintenance. Lucent is essentially working with LightNetworks on the network technical (switch and collocation sites) to make sure the network design is accurate from a technical working and performance perspective. Further LightNetworks has on staff the following personnel who will be working with all the technical aspects of the network.

Henry Burgstiner, Vice President of Operations, has 35 years of telecommunications experience with both BellSouth and WinStar Communications in Network Engineering and Network operations.

Dave Milliron, Director of Engineering, has approximately 20 years of telecommunications experience coming to LightNetworks from Conklin Corporation where he was the Technical Product Development Director.

Neil Timm, Chief Technical Officer, comes to LightNetworks from Lucent Technologies and Bell Laboratories where he was directly involved with testing and technical performance aspects of the equipment that LightNetworks will be deploying in its network in Tennessee.

Will Tennessee Customers be required to purchase CPE which cannot be used with ILEC systems should the customer decide to go back to the ILEC?

No special CPE is contemplated at this time.

List type of Facilities to be built in Tennessee.

LightNetworks will build or collocate switch locations, deploying Lucent Technologies switches and equipment.

7. Proposed Service Area.

The applicant proposes to offer its services throughout the State of Tennessee in areas currently served by BellSouth and Sprint-United which are designated open to competition. Marketing efforts will be concentrated on major metropolitan areas.

8. Types of Local Exchange Service to be provided.

LightNetworks expects to offer a broad variety of facilities based and local exchange services, primarily to business customers in Tennessee. LightNetworks' initial line of local services will be comparable to that currently offered by the incumbent LECs. Initially, LightNetworks plans to offer basic access line service, PBX and DID Services, Optional Calling Features, Directory Assistance, Directory Services, and Operator Services, as well as all services required under Chapter 1220-4-8-.04 (3)(b) and (c).

9. Y2K Procedures

No Y2K plan is applicable as the Applicant's services will be deployed and/or put into service in Tennessee around mid-2000. Further, Lucent equipment to be used in the network is Y2K compliant and will be tested to insure compliance before any telecommunications services are deployed.

10. Wireline Activity Report.

LightNetworks will provide a wireline report to the TRA when available.

11. Customer Deposits

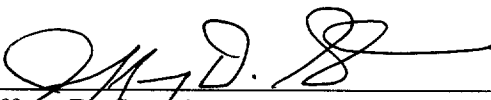
LightNetworks will require deposits under the conditions listed in the local tariff. A bond has not been posted, however, LightNetworks will do so, if required by the TRA.

12. Statement of Compliance.

LightNetworks agrees to abide by all applicable statutes and all applicable Orders, rules and regulations entered and adopted by the Tennessee Regulatory Authority.

Respectfully submitted this 8th day of November, 1999.

Respectfully submitted,
LightNetworks, Inc.



Jeffrey D. Smock
President and Chief Executive Officer
LightNetworks, Inc.
981 Ashby Street, Suite 103
Atlanta, Georgia 30318

Telephone: (404) 877-1190
Facsimile: (603) 699-0060

Dated:


11/8/99

VERIFICATION

STATE OF GEORGIA

COUNTY OF FULTON

Jeffrey D. Smock, being first duly sworn, deposes and says: That he is the President and Chief Executive Officer for LightNetworks, Inc., the applicant in the above proceeding, that he has read the foregoing application, and knows the contents thereof; and that he is authorized by LightNetworks, Inc. to verify that the contents of the applications are true.

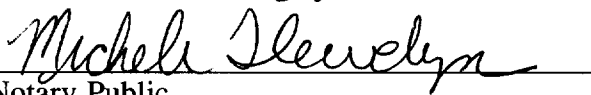


Jeffrey D. Smock
President & Chief Executive Officer

LightNetworks, Inc.
981 Ashby Street, Suite 103
Atlanta, Georgia 30318

Telephone: (404) 877-1190
Facsimile: (603) 699-0060

Subscribed and sworn to before me this
8 day of Nov, 1999



Notary Public
State of Georgia

Notary Public, Gwinnett County, Georgia
My Commission Expires March 20, 2002

My commission expires: _____

Table of Attachments

Attachment A	Names and Addresses of LightNetworks Officers
Attachment B	Certificate of Incorporation
Attachment C	Certificate of Authority to Transact Business in the State of Tennessee
Attachment D	Status of LightNetworks in other States
Attachment E	Financial Statements
Attachment F	Biographies of Senior Executive Team
Attachment G	Small and Minority Owned Telecommunications Business Participation Plan
Attachment H	Dialing Parity Plan
Attachment I	Pre-Filed Testimony
Attachment J	Proposed Local Tariff
Attachment K	Y2K Procedures

LIGHTNETWORKS, INC.

Attachment A

**Names and Addresses of
LightNetworks Officers**

LIGHTNETWORKS, INC.

OFFICERS/DIRECTORS

The following individuals serve as officers and directors of LightNetworks and may be reached through the company's corporate office at 981 Ashby Street, Suite 103, Atlanta, Georgia 30318.

DIRECTORS

Jeffrey D. Smock

OFFICERS

Henry Burgstiner, Vice President of Operations and Engineering

Eston Kirby, Vice President of Planning

Neil Timm, Chief Technical Officer

To be determined: Chief Financial Officer and Vice President of Sales and Marketing

LIGHTNETWORKS, INC.

Attachment B

Certificate of Incorporation

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : K92770774
CONTROL NUMBER : K935784
DATE INC/AUTH/FILED: 08/31/1999
JURISDICTION : GEORGIA
PRINT DATE : 10/04/1999
FORM NUMBER : 211

THE RED HOT LAW GROUP OF ASHLEY, LLC
JON H. KLAPPER
817 WEST PEACHTREE ST NE, STE 1400
ATLANTA, GA 30308

CERTIFICATE OF EXISTENCE

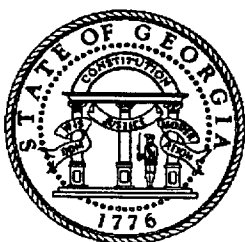
I, Cathy Cox, the Secretary of State of the State of Georgia, do hereby certify under the seal of my office that

LIGHTNETWORKS, INC.
A DOMESTIC PROFIT CORPORATION

was formed in the jurisdiction stated above or was authorized to transact business in Georgia on the above date. Said entity is in compliance with the applicable filing and annual registration provisions of Title 14 of the Official Code of Georgia Annotated and has not filed articles of dissolution, certificate of cancellation or any other similar document with the office of the Secretary of State.

This certificate relates only to the legal existence of the above-named entity as of the date issued. It does not certify whether or not a notice of intent to dissolve, an application for withdrawal, a statement of commencement of winding up or any other similar document has been filed or is pending with the Secretary of State.

This certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence that said entity is in existence or is authorized to transact business in this state.



Cathy Cox
Secretary of State

LIGHTNETWORKS, INC.

Attachment C

Certificate of Authority to Transact Business in the State of Tennessee

Secretary of State

Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

DATE: 10/06/99

REQUEST NUMBER: 3749-2140

TELEPHONE CONTACT: (615) 741-2286

FILE DATE/TIME: 10/06/99 1106

EFFECTIVE DATE/TIME: 10/06/99 1106

CONTROL NUMBER: 0378083

TO:

CT CORPORATION SYSTE

1201 PEACHTREE ST

NE

ATLANTA, GA 30361

RE:

LIGHTNETWORKS, INC.

APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED CERTIFICATE OF
AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE
ON OR BEFORE THE FIRST DATE OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE
CORPORATION'S FISCAL YEAR. PLEASE PROVIDE THIS OFFICE WITH WRITTEN
NOTIFICATION OF THE CORPORATION'S FISCAL YEAR. THIS OFFICE WILL MAIL THE
REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE
ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS
OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED
AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE REVOCATION
OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

ON DATE: 10/06/99

FROM:
C T CORPORATION SYSTEM (ATLANTA, GA.)
1201 PEACHTREE ST.,
N.E. STE 1240
ATLANTA, GA 30361-0000

	FEES	
RECEIVED:	\$600.00	\$0.00
TOTAL PAYMENT RECEIVED:	\$600.00	

RECEIPT NUMBER: 00002557348
ACCOUNT NUMBER: 00000009

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE



LIGHTNETWORKS, INC.

Attachment C

Certificate of Authority to Transact Business in the State of Tennessee

18 OCT 1999 12:11:13
APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

RECEIVED
LightNetworks, Inc. SECRETARY OF STATE

FILED

To the Secretary of State of the State of Tennessee:

99 OCT -6 11:11:06

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is LightNetworks, Inc.

If different, the name under which the certificate of authority is to be obtained is _____

[NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. If obtaining a certificate of authority under an assumed corporate name, an application must be filed pursuant to Section 48-14-101(d).]

2. The state or country under whose law it is incorporated is Georgia

3. The date of its incorporation is August 31, 1999 (must be month, day, and year), and the period of duration, if other than perpetual, is _____

4. The complete street address (including zip code) of its principal office is _____

981 Ashby Street, NW, Suite 103, Atlanta, Georgia 30378

Street	City	State/Country	Zip Code
--------	------	---------------	----------

5. The complete street address (including the county and the zip code) of its registered office in this state is

c/o C T Corporation System, 530 Gay Street, Knoxville, Tennessee, County of Knox
37902

Street	City/State	County	Zip Code
--------	------------	--------	----------

The name of its registered agent at that office is

C T Corporation System

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

Jeffrey D. Smock, 981 Ashby Street, NW, Suite 103, Atlanta, Georgia 30378,
President

LIGHTNETWORKS, INC.

Attachment D

Status of LightNetworks in other States

LightNetworks, Inc. is a start-up and is in the initial stages of filing for certifications in other jurisdictions. LightNetworks has obtained authority to provide local facilities based service in Georgia and plans to be operational in that state by the first quarter of the year 2000.

LIGHTNETWORKS, INC.

Attachment E

Financial Statements

LIGHTNETWORKS, INC.
Financial Information

The purpose of this document is to highlight the financial strengths of the Company and serve as the Company's Statement of Financial Capability.

LightNetworks has not begun operations. In support of its financial capability, the Company offers proforma financial statements and credit references. LightNetworks has incurred normal start-up costs of entering the local and long distance telecommunications market. As with most ventures, LightNetworks expects profitability to be achieved on entering a new market. LightNetworks has the financial strength to absorb start-up losses. Some of LightNetworks' highlights are:

1. Proforma Statement of Operations for the period ending 12/31/99 through 12/31/02

This proforma projects profitability by the end of September 2001.

2. Proforma Balance Sheet for the periods ending 12/31/99 through 12/31/02

LightNetworks expects to have cash assets in excess of \$3 Million by the end of 1999 with which to sustain start up operations.

3. Proforma Cash Flow Projection for the periods ending 12/31/99 through 12/31/02

4. Lucent Technologies has extended LightNetworks a \$25,000,000 credit facility with which to purchase and maintain equipment and plant necessary for operations.

As demonstrated above, LightNetworks has planned prudently and marshalled the necessary resources to provide successful local services in the Tennessee market.

2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.

Please see response to question #1.

3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

Please see response to question #1.

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.



September 16, 1999

Jeff Smock
President & CEO
LightNetworks, Inc.
414 Summer Terrace Lane
Atlanta, GA. 30342

Mr. Smock,

Lucent Technologies is very pleased to extend LightNetworks \$25,000,000.00 in the credit facility described in our Term Sheet dated September 10, 1999. As we discussed, this amount was set at roughly 125% of your capital expenditure for network buildout though April 30, 2000 as outlined in your business plan.

Lucent Technologies would like to continue to support LightNetworks by extending further credit facility as your company successfully executes your business plan. We will be happy to review further financing options in early to mid- April, 2000.

We are very excited about this strategic partnership with LightNetworks. Please let me know if I can be of any assistance in ensuring the continued success of your company- and our partnership. I can be reached at 703.925.4228.

Best Regards,

Jeff Lubore
VP, Emerging Market Service Providers

LightNetworks Inc.
(A Development Stage Company)
Pro Forma Statement of Operations

	For the Year and 4 Mos Ended 12/31/99	For the 3 Mos Ended 03/31/00	For the 3 Mos Ended 06/30/00	For the 3 Mos Ended 09/30/00	For the 3 Mos Ended 12/31/00	For the 3 Mos Ended 03/31/01	For the 3 Mos Ended 06/30/01	For the 3 Mos Ended 09/30/01
Revenues								
Customer Charges (incl LD)	\$0	\$432,000	\$1,770,000	\$3,666,000	\$5,826,000	\$8,418,000	\$11,010,000	\$13,602,000
Customer Installation Fee	0	51,200	106,800	129,600	158,400	172,800	172,800	172,800
Total Revenue	0	483,200	1,876,800	3,795,600	5,984,400	8,590,800	11,182,800	13,774,800
Expense of Operations								
Colocation/Application/Preparation	1,170,000	550,000	0	0	0	0	0	0
Equipment Lease Payments	0	0	449,385	4,707,940	5,834,592	6,061,891	6,227,570	6,441,922
Software Rights Payments	0	298,800	298,800	298,800	298,800	298,800	298,800	298,800
Long Distance Carriers	0	69,120	283,200	586,560	932,160	1,346,880	1,761,600	2,176,320
Loop Installation Costs	0	51,200	106,800	129,600	158,400	172,800	172,800	172,800
Travel	6,000	13,000	15,000	15,000	15,000	15,000	15,000	15,000
Rent	8,000	15,600	63,600	92,400	92,400	92,400	92,400	92,400
Telephone	1,750	7,000	27,000	39,000	39,000	39,000	39,000	39,000
Salaries	334,800	1,122,200	2,102,400	2,429,400	2,522,400	2,594,400	2,600,400	2,603,400
Payroll Taxes/EE Benefits	100,440	298,260	550,620	631,620	637,920	648,720	650,520	651,420
Office Supplies	2,000	3,500	13,500	19,500	19,500	19,500	19,500	19,500
Interest Expense	0	0	0	0	0	50,000	51,430	51,430
Depreciation Expense	1,000	2,250	3,900	6,000	7,500	8,500	9,000	9,500
Audit Fees	10,000	0	0	0	35,000	0	0	0
Outside Consultants	0	15,000	15,000	10,500	15,000	15,000	15,000	15,000
Legal/Filing	20,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Advertising/Promo	13,000	278,000	876,000	1,032,000	1,032,000	1,032,000	1,032,000	1,032,000
Total Operating Expenses	1,665,990	2,736,680	4,816,305	10,007,320	11,647,172	12,353,341	12,942,290	13,576,012
Net Profit (Loss)	(\$1,665,990)	(\$2,253,480)	(\$2,939,505)	(\$6,211,720)	(\$5,662,772)	(\$3,762,541)	(\$1,759,490)	\$198,788

LightNetworks Inc.
(A Development Stage Company)
Pro Forma Statement of Operations

	For the 3 Mos Ended <u>12/31/01</u>	For the 3 Mos Ended <u>03/31/02</u>	For the 3 Mos Ended <u>06/30/02</u>	For the 3 Mos Ended <u>09/30/02</u>	For the 3 Mos Ended <u>12/31/02</u>
Revenues					
Customer Charges (incl LD)	\$16,194,000	\$19,266,000	\$22,578,000	\$25,890,000	\$29,202,000
Customer Installation Fee	<u>172,800</u>	<u>220,800</u>	<u>220,800</u>	<u>220,800</u>	<u>220,800</u>
Total Revenue	16,366,800	19,486,800	22,798,800	26,110,800	29,422,800
Expense of Operations					
Colocation/Application/Preparation	0	0	0	0	0
Equipment Lease Payments	6,656,273	6,870,625	7,124,671	7,398,564	7,672,458
Software Rights Payments	298,800	298,800	298,800	298,800	298,800
Long Distance Carriers	2,591,040	3,082,560	3,612,480	4,142,400	4,672,320
Loop Installation Costs	172,800	220,800	220,800	220,800	220,800
Travel	15,000	15,000	15,000	15,000	15,000
Rent	92,400	92,400	92,400	92,400	92,400
Telephone	39,000	39,000	39,000	39,000	39,000
Salaries	2,603,400	2,939,400	2,939,400	2,939,400	2,939,400
Payroll Taxes/EE Benefits	651,420	716,220	716,220	716,220	716,220
Office Supplies	19,500	19,500	19,500	19,500	19,500
Interest Expense	51,430	51,430	51,430	51,430	51,430
Depreciation Expense	9,750	10,000	10,250	10,500	10,750
Audit Fees	50,000	0	0	0	60,000
Outside Consultants	15,000	15,000	15,000	15,000	15,000
Legal/Filing	15,000	15,000	15,000	15,000	15,000
Advertising/Promo	<u>1,032,000</u>	<u>1,032,000</u>	<u>1,032,000</u>	<u>1,032,000</u>	<u>1,032,000</u>
Total Operating Expenses	14,410,123	15,515,545	16,300,261	17,104,824	17,969,388
Net Profit (Loss)	<u>\$1,956,677</u>	<u>\$3,971,255</u>	<u>\$6,498,539</u>	<u>\$9,005,976</u>	<u>\$11,453,412</u>

(A Development Stage Company)
Pro Forma Balance Sheet
For the Periods Ending

	<u>12/31/99</u>	<u>03/31/00</u>	<u>06/30/00</u>	<u>09/30/00</u>	<u>12/31/00</u>	<u>03/31/01</u>	<u>06/30/01</u>	<u>09/30/01</u>
ASSETS								
Cash	\$3,335,010	\$6,125,800	\$8,319,140	\$7,168,171	\$6,553,880	\$2,863,527	\$1,186,043	\$1,467,306
Accounts Receivable								
Office Equipment (net of Depreciation)	19,000	41,750	70,850	106,850	129,350	140,850	141,850	142,350
Other Assets - Deposits	2,000	4,000	19,000	19,000	19,000	19,000	19,000	19,000
	<u>\$3,356,010</u>	<u>\$6,171,550</u>	<u>\$8,408,990</u>	<u>\$7,294,021</u>	<u>\$6,702,230</u>	<u>\$3,023,377</u>	<u>\$1,346,893</u>	<u>\$1,628,656</u>
Liabilities								
Accounts Payable	\$12,500	\$79,424	\$246,240	\$339,612	\$409,632	\$492,576	\$575,520	\$658,464
Line of Credit					5,000,000	5,000,000	5,000,000	5,000,000
Payroll Liabilities	9,500	11,596	21,725	25,104	26,065	26,809	26,871	26,902
	22,000	91,020	267,965	364,716	5,435,697	5,519,385	5,602,391	5,685,366
Stockholders Equity								
Capital Stock	5,000,000	10,000,000	15,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Retained Earnings	(1,665,990)	(3,919,470)	(6,858,975)	(13,070,695)	(18,733,467)	(22,496,008)	(24,255,498)	(24,056,710)
Liabilities and Stockholders Equity	<u>\$3,356,010</u>	<u>\$6,171,550</u>	<u>\$8,408,990</u>	<u>\$7,294,021</u>	<u>\$6,702,230</u>	<u>\$3,023,377</u>	<u>\$1,346,893</u>	<u>\$1,628,656</u>

(A Development Stage Company)
Pro Forma Balance Sheet
For the Periods Ending

	<u>12/31/01</u>	<u>03/31/02</u>	<u>06/30/02</u>	<u>09/30/02</u>	<u>12/31/02</u>
ASSETS					
Cash	\$3,511,677	\$7,586,708	\$14,196,481	\$23,313,941	\$34,879,087
Accounts Receivable					
Office Equipment (net of Depreciation)	137,600	132,600	127,350	121,850	116,100
Other Assets - Deposits	19,000	22,000	22,000	22,000	22,000
	<u>\$3,668,277</u>	<u>\$7,741,308</u>	<u>\$14,345,831</u>	<u>\$23,457,791</u>	<u>\$35,017,187</u>
Liabilities					
Accounts Payable	\$741,408	\$839,712	\$945,696	\$1,051,680	\$1,157,664
Line of Credit	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Payroll Liabilities	26,902	30,374	30,374	30,374	30,374
	5,768,310	5,870,086	5,976,070	6,082,054	6,188,038
Stockholders Equity					
Capital Stock	20,000,000	20,000,000 [#]	20,000,000	20,000,000	20,000,000
Retained Earnings	(22,100,033)	(18,128,777)	(11,630,238)	(2,624,263)	8,829,149
Liabilities and Stockholders Equity	<u>\$3,668,277</u>	<u>\$7,741,308</u>	<u>\$14,345,831</u>	<u>\$23,457,791</u>	<u>\$35,017,187</u>

**Pro Forma Cash Flow Projection
For the Periods Ending**

<u>Month</u>	<u>12/31/99</u>	<u>03/31/00</u>	<u>06/30/00</u>	<u>09/30/00</u>	<u>12/31/00</u>	<u>03/31/01</u>	<u>06/30/01</u>	<u>09/30/01</u>
CASH FLOWS FROM OPERATING ACTIVITIES								
Net Operations (Losses)	(\$1,665,990)	(\$2,253,480)	(\$2,939,505)	(\$6,211,720)	(\$5,662,772)	(\$3,762,541)	(\$1,759,490)	\$198,788
Adjustment to reconcile net cash provided by operating activities								
Depreciation	1,000	2,250	3,900	6,000	7,500	8,500	9,000	9,500
(Increase) in Other Assets	(2,000)	(2,000)	(15,000)	0	0	0	0	0
Increase in Accounts Payable	12,500	66,924	166,816	93,372	70,020	82,944	82,944	82,944
Increase in Payroll Liabilities	9,500	2,096	10,129	3,379	961	744	62	31
NET CASH USED BY OPERATING ACTIVITIES	(1,644,990)	(2,184,210)	(2,773,661)	(6,108,969)	(5,584,291)	(3,670,353)	(1,667,484)	291,263
CASH FLOWS FROM INVESTING ACTIVITIES								
Office Equipment	20,000	25,000	33,000	42,000	30,000	20,000	10,000	10,000
NET CASH USED BY OPERATING ACTIVITIES	20,000	25,000	33,000	42,000	30,000	20,000	10,000	10,000
CASH FLOWS FROM FINANCING ACTIVITIES								
Capital Contributions	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0	0
Line of Credit	0	0	0	0	5,000,000	0	0	0
NET CASH PROVIDED BY FINANCING ACTIVITIES	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	0	0	0
NET INCREASE (DECREASE) IN CASH	3,335,010	2,790,790	2,193,339	(1,150,969)	(614,291)	(3,690,353)	(1,677,484)	281,263
CASH AT BEGINNING OF PERIOD	0	3,335,010	6,125,800	8,319,140	7,168,171	6,553,880	2,863,527	1,186,043
CASH AT END OF PERIOD	\$3,335,010	\$6,125,800	\$8,319,140	\$7,168,171	\$6,553,880	\$2,863,527	\$1,186,043	\$1,467,306

Pro Forma Cash Flow Projection
For the Periods Ending

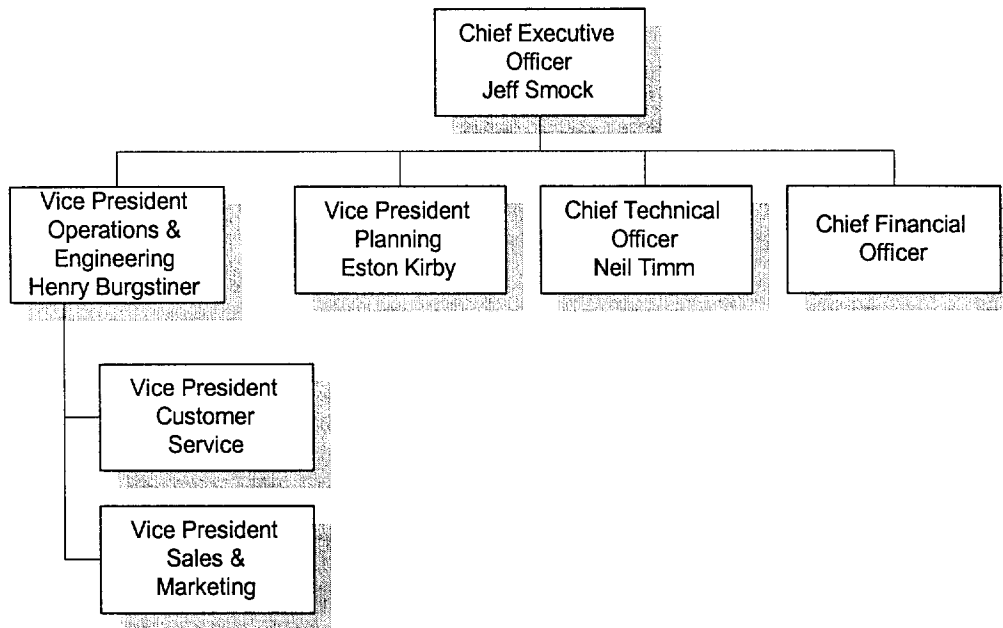
Month	12/31/01	03/31/02	06/30/02	09/30/02	12/31/02
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Operations (Losses)	\$1,956,677	\$3,971,255	\$6,498,539	\$9,005,976	\$11,453,412
Adjustment to reconcile net cash provided by operating activities					
Depreciation	9,750	10,000	10,250	10,500	10,750
(Increase) in Other Assets	0	(3,000)	0	0	0
Increase in Accounts Payable	82,944	98,304	105,984	105,984	105,984
Increase in Payroll Liabilities	0	3,472	0	0	0
NET CASH USED BY OPERATING ACTIVITIES	2,049,371	4,080,031	6,614,773	9,122,460	11,570,146
CASH FLOWS FROM INVESTING ACTIVITIES					
Office Equipment	5,000	5,000	5,000	5,000	5,000
NET CASH USED BY OPERATING ACTIVITIES	5,000	5,000	5,000	5,000	5,000
CASH FLOWS FROM FINANCING ACTIVITIES					
Capital Contributions	0	0	0	0	0
Line of Credit	0	0	0	0	0
NET CASH PROVIDED BY FINANCING ACTIVITIES	0	0	0	0	0
NET INCREASE (DECREASE) IN CASH	2,044,371	4,075,031	6,609,773	9,117,460	11,565,146
CASH AT BEGINNING OF PERIOD	1,467,306	3,511,677	7,586,708	14,196,481	23,313,941
CASH AT END OF PERIOD	\$3,511,677	\$7,586,708	\$14,196,481	\$23,313,941	\$34,879,087

LIGHTNETWORKS, INC.

Attachment F

Biographies of Senior Executive Team

LightNetworks



Management

Chief Executive Officer: Jeff Smock is the CEO and Founder of LightNetworks. Prior to starting LightNetworks, Mr. Smock served as Vice President of Business Planning and Corporate Secretary at Ernest Communications, Inc. (ECI). While at ECI he was responsible for establishing the company as a CLEC in 13 cities and deployment of networks in the cities. It was at ECI that he garnered the CLEC experience necessary to take one to actually providing service. Prior to his work at ECI, he acted as Vice President of Strategic Alliances at San Francisco based CCALL.COM a financial reporting Company that provided real-audio formatted conference calls over the Internet for analyst and public traded companies.

Vice President of Operations and Engineering: Henry Burgstiner comes to LightNetworks with 35 years of telecommunications experience. He recently worked a publicly traded CLEC operating 38 cities. He was the companies Director of Operations and was responsible for the companies planning, deployment, provisioning, and maintenance of its markets. Mr. Burgstiner retired from BellSouth with 30 years of operations and engineering experience.

Vice President of Planning: Eston Kirby comes to LightNetworks with 30 plus years of telecommunications experience, with management assignments in network, engineering and consulting. He worked with BellSouth until 1996 and has since held positions with a private telecommunications consulting firm and with BlueStar Communications, in Nashville, TN. His work experience in the last 8-10 years has been in the area of product marketing, provisioning, CLEC consulting services and planning collocation services with ILEC's.

Chief Technical Officer: Neil Timm is the CTO and comes to LightNetworks from Lucent Technologies. Mr. Timm has held his position with Lucent Technologies and Laboratories, conducting research and testing Central Office Switch and Transmission Technologies.

Chief Financial Officer: This individual will be responsible for the accounting operation of the Company. This individual must understand the nuances of a technology based company and be a Certified Public Accountant (CPA). This individual has been identified and will join LightNetworks in the first quarter, 2000.

Vice President of Sales and Marketing: LightNetworks is currently evaluating candidates for this position. A person will be identified by early December, 1999.

LIGHTNETWORKS, INC.

Attachment G

**Small and Minority Owned Telecommunications
Business Participation Plan**

TENNESSEE
SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS
PARTICIPATION PLAN

SUBMITTED TO
TENNESSEE REGULATORY AUTHORITY

**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS
PARTICIPATION PLAN**

TABLE OF CONTENTS

1.	PURPOSE	3
2.	DEFINITIONS	3
3.	PLAN RESPONSIBILITY AND POLICY STATEMENT	3-4
4.	PLAN PERIOD	4
5.	PLAN ADMINISTRATION	4-5
6.	PLAN TO ENSURE EQUITABLE OPPORTUNITY	5-6
7.	PLAN REPORTING	6

SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN

PURPOSE

- 1.1 This small and minority-owned telecommunications business participation plan ("Plan") is submitted by LightNetworks, Inc. ("LightNetworks") as required by T.C.A. §65-5-212.
- 1.2 The administration of this Plan is the responsibility of LightNetworks, Inc.

2. DEFINITIONS

- 2.1 LightNetworks, Inc. is a private corporation which offers intra- and interexchange telecommunication services of in the state of Tennessee. They are based in Atlanta, Georgia and have no employees, property, or equipment in Tennessee at this time.
- 2.2 As a competitive vendor of telecommunications service, LightNetworks is non-dominant in its industry. The nature of LightNetworks' business limits their opportunity to support the use of Small and Minority Business in Tennessee. However, let the submission of this Plan evidence their desire to participate as practically possible.
- 2.3 Small and Minority Business - For the purpose of this Plan, "minority business" means a business that is solely owned, or at least fifty-one (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000) per T.C.A. §65-5-212.

LIGHTNETWORKS' RESPONSIBILITY FOR SMALL AND MINORITY-OWNED TELECOMMUNICATION BUSINESS PARTICIPATION PLAN AND POLICY STATEMENT

- 3.1 LightNetworks intends to afford Small and Minority-Owned Telecommunications Businesses the maximum practicable opportunity to participate in the performance of contracts in accordance with T.C.A. §65-5-212.
- 3.2 LightNetworks is a telecommunications service provider whose business operations will include:

Sale and Marketing of Telecommunications Services
Customer Care

LightNetworks uses vendors and suppliers to support their telecommunications business in the following areas:

Telecommunications Service Providers

Sales Agents of Telecommunications Services

Telecommunications Billing and Collection Services

3.3 Eston Kirby, Vice President - Planning would coordinate Small and Minority-Owned Telecommunications Business referrals.

3.4. Initial Small and Minority-Owned Telecommunications Business contacts for LightNetworks would be made through their Coordinator who will seek to identify and include firms in Tennessee through the Department of Economic and Community Development's office of Minority Business Enterprise and Small Business office.

4. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN PERIOD OF EFFECTIVENESS

4.1 LightNetworks will maintain a pro active and continuous approach toward inclusion of such firms in their supplier in their supplier base. Consequently, their Plan and the associated duties and activities would not have a fixed time period for effective, but rather represent LightNetworks' ongoing policies and procedures. LightNetworks has no physical presence in Tennessee. When and if their business condition changes in Tennessee, the effectiveness of this Plan would be enhanced.

5. PLAN ADMINISTRATION

5.1 LightNetworks's Plan Administrator is:

Eston Kirby, Vice President - Planning

LightNetworks, Inc.

981 Ashby Street, Suite 103

Atlanta, Georgia 30318

Telephone: (404) 877-1190

Facsimile: (603) 699-0060

5.2 The Administrator manages the Plan, as described below in the Administrator's duties. The Administrator has direct interface with procurement personnel, contract administrators, and program and project personnel to ensure compliance with the provisions of the Plan.

- 5.3 The Administrator's specific job duties, as they relate to this Plan and LightNetworks's business operations in the state of Tennessee, are as follows:

Developing and maintaining the LightNetworks's Supplier Master List which would include a listing of Small and Minority-Owned Telecommunications Businesses in Tennessee who are deemed eligible to be suppliers for LightNetworks.

Reviewing LightNetworks policies and procedures in to ensure that Small and Minority-Owned Telecommunications Businesses in Tennessee have an equitable opportunity to be awarded contracts when possible.

Allowing for inclusion of Small and Minority-Owned Telecommunications Businesses in those solicitations for products or service which they are capable of providing.

Coordinating activities during the conduct of any compliance review by Tennessee state agencies.

Preparing and submitting periodic contracting reports as required.

6. PLAN TO ASSURE EQUITABLE OPPORTUNITY

- 6.1 The Administrator shall ensure that appropriate source listings and services are properly utilized in support of the Plan. Sources/listings include but are not limited to the following:

The LightNetworks approved Master Supplier List.

Sourcing information received from the Department of Economic and Community Development's Office of Minority Business Enterprise and Small Business Office in Nashville.

- 6.2. Outreach efforts will be made as follows:

The Administrator shall cultivate and maintain a relationship with the Community Development's Office of Minority Business Enterprise and Small Business Office in an effort to locate and qualify capable Small and Minority-Owned Telecommunications Businesses for participation in contracting opportunities.

The Administrator shall ensure that LightNetworks provides adequate and timely consideration of the potentialities of Small and Minority-Owned

Telecommunications Businesses in “make-or-buy” decisions.

- (c) The Administrator shall ensure that LightNetworks counsels and discusses contracting opportunities with representatives of Small and Minority-Owned Telecommunications Businesses.
- (d) The Administrator shall ensure that LightNetworks offers assistance to Small and Minority-Owned Telecommunications Businesses to explain: requests for quotations, progress payments, technical and quality assurance programs, advice on types of business typically being contracted, and the mechanics of procurement requirements and quality expectations.

7. PLAN REPORTING

- 7.1 LightNetworks will submit such periodic reports and cooperate in those studies or surveys as may be required to determine the extent of compliance with this Plan.
- 7.2 LightNetworks Supplier Master List will identify Small and Minority-Owned Telecommunications Businesses in Tennessee. The Supplier Master List shall be utilized in identifying potential contractors.

LIGHTNETWORKS, INC.

Attachment H

Dialing Parity Plan

LightNetworks Communications, Inc
IntraLATA Toll Dialing Parity Plan
For Tennessee

1. Purpose

The intent of this Plan is to provide a proposal that, upon implementation, would provide customers the ability to select the telecommunications carrier of their choice for routing their intraLATA toll calls.

LightNetworks Communications will be following their established guidelines and procedures for implementation of intraLATA Parity of toll calls.

2. Implementation Date and Areas of Availability

Upon commencement of service, LightNetworks will offer 2-PIC service in all BellSouth states including Tennessee.

For services provided via a LightNetworks switch, all switchlines will offer 2-PIC capability.

3. Method of Selection Process and costs

LightNetworks will follow the 2-PIC strategy established by BellSouth. With the 2-PIC methodology, customers will be able to presubscribe to one telecommunications carrier for interLATA toll calls and presubscribe to the same or different carrier, including their existing local exchange company, for all intraLATA toll calls.

Existing Customers

LightNetworks has no existing customers. Once a customer base is established, LightNetworks employees will be trained to explain the process to customers for making PIC changes for intraLATA toll calls. They will be prepared to make changes in customer records based upon request from customers or carriers and direct customers to their chosen intraLATA carrier. Customers will remain with their current intraLATA carrier until they affirmatively choose an intraLATA toll carrier.

New Customers

Processes will be in place to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers. Customers who do not choose a carrier for intraLATA toll calls will be identified as a "No-PIC" and will not be automatically defaulted to a carrier. Fees for PIC changes will be passed on to the customer at current pricing of \$1.49 for residential and business customers. No waiver will apply but customers will be able to change both interLATA and intraLATA PICs in the same transaction for no extra charge.

4. Customer Notifications

Customers will be advised the opportunity to choose an intraLATA toll carrier separate from their interLATA carrier at the time they place an order initiating service. They will also be advised that they may choose a carrier other than their local exchange carrier and that a list of available intraLATA toll carriers is available upon request from customer service. LightNetworks also believes that promotional material by other carriers will make customers aware of the choices available to them.

Cost Recovery

LightNetworks does not anticipate any charges from BellSouth to implement their Parity Plan and therefor will not be assessing the customer any additional charges.

Miscellaneous Items

Slamming - LightNetworks will be subject to rules relating to slamming as indicated in Tennessee Regulatory Authority Rule 1220-4-2-. 56, Sections (2) – (19) and 1220-4-2.58, Sections (1)-(16).

Nondiscriminatory Access – LightNetworks will provide nondiscriminatory access for their customers, including any Resellers, as it relates to access of telephone numbers; operator assistance; directory assistance; and directory listings.

Rules – LightNetworks will fully comply with all rules and regulations set forth by the FCC and the TRA.

LightNetworks has no applicable rules.

LATA Associations

Area	LATA	Prefix
Tennessee	Memphis	468
	Nashville	470
	Chattanooga	472
	Knoxville	474

Exchange Coverage for Resold Services

423-207 423-336 423-480 423-584 423-717 423-886 615-219 615-313 615-395 615-599
423-208 423-337 423-481 423-585 423-718 423-892 615-220 615-314 615-399 615-604
423-209 423-338 423-482 423-586 423-719 423-893 615-221 615-315 615-401 615-612
423-212 423-339 423-483 423-587 423-733 423-894 615-222 615-316 615-402 615-631
423-213 423-344 423-485 423-588 423-744 423-899 615-223 615-317 615-406 615-643
423-215 423-345 423-487 423-590 423-745 423-902 615-226 615-319 615-407 615-646
423-217 423-351 423-488 423-594 423-746 423-903 615-227 615-320 615-412 615-650
423-219 423-354 423-490 423-595 423-751 423-904 615-228 615-321 615-415 615-654
423-220 423-358 423-493 423-599 423-752 423-905 615-230 615-322 615-416 615-660
423-221 423-359 423-494 423-602 423-755 423-906 615-231 615-323 615-417 615-661
423-222 423-365 423-495 423-603 423-756 423-907 615-232 615-325 615-418 615-662
423-226 423-373 423-496 423-605 423-757 423-908 615-234 615-327 615-419 615-664
423-227 423-374 423-499 423-608 423-763 423-909 615-235 615-329 615-421 615-665
423-228 423-376 423-501 423-609 423-766 423-916 615-237 615-330 615-426 615-672
423-231 423-379 423-504 423-613 423-769 423-918 615-239 615-331 615-428 615-673
423-235 423-380 423-507 423-614 423-774 423-919 615-240 615-332 615-430 615-696
423-237 423-382 423-509 423-616 423-775 423-920 615-241 615-333 615-432 615-702
423-240 423-386 423-510 423-617 423-778 423-921 615-242 615-335 615-441 615-708
423-248 423-387 423-513 423-618 423-780 423-923 615-244 615-336 615-443 615-714
423-250 423-389 423-514 423-619 423-784 423-924 615-248 615-337 615-444 615-717
423-255 423-395 423-515 423-622 423-785 423-927 615-251 615-340 615-445 615-720
423-258 423-397 423-516 423-623 423-802 423-932 615-252 615-341 615-446 615-726
423-263 423-403 423-517 423-624 423-804 423-933 615-253 615-342 615-449 615-731
423-265 423-408 423-521 423-625 423-805 423-942 615-254 615-343 615-451 615-733
423-266 423-413 423-522 423-629 423-806 423-954 615-255 615-344 615-452 615-734
423-267 423-414 423-523 423-631 423-809 423-961 615-256 615-347 615-453 615-735
423-268 423-417 423-524 423-632 423-810 423-970 615-257 615-350 615-457 615-736
423-269 423-420 423-525 423-633 423-814 423-971 615-258 615-351 615-458 615-737

423-272 423-425 423-527 423-634 423-818 423-974 615-259 615-352 615-459 615-740
423-275 423-426 423-531 423-637 423-819 423-977 615-262 615-353 615-460 615-741
423-280 423-428 423-539 423-642 423-821 423-980 615-264 615-354 615-463 615-742
423-281 423-429 423-540 423-645 423-822 423-981 615-269 615-355 615-476 615-743
423-284 423-430 423-541 423-656 423-825 423-982 615-271 615-356 615-477 615-744
423-285 423-435 423-544 423-658 423-827 423-983 615-272 615-360 615-478 615-746
423-289 423-436 423-545 423-661 423-837 423-984 615-274 615-361 615-481 615-747
423-290 423-442 423-546 423-667 423-842 423-985 615-275 615-365 615-482 615-748
423-296 423-448 423-549 423-670 423-843 423-986 615-279 615-366 615-483 615-749
423-301 423-450 423-550 423-673 423-846 423-987 615-282 615-367 615-494 615-763
423-304 423-451 423-558 423-674 423-847 423-988 615-284 615-370 615-504 615-770
423-309 423-452 423-559 423-681 423-850 423-991 615-291 615-371 615-505 615-771
423-310 423-453 423-562 423-686 423-855 423-992 615-292 615-372 615-508 615-778
423-312 423-457 423-563 423-687 423-856 423-993 615-295 615-373 615-512 615-780
423-315 423-458 423-564 423-688 423-867 423-995 615-297 615-374 615-513 615-781
423-317 423-463 423-565 423-689 423-869 423-996 615-298 615-376 615-516 615-782
423-318 423-470 423-566 423-690 423-870 615-201 615-299 615-377 615-518 615-783
423-321 423-471 423-567 423-691 423-873 615-202 615-302 615-382 615-519 615-789
423-326 423-472 423-570 423-692 423-874 615-206 615-303 615-383 615-524 615-790
423-327 423-473 423-573 423-693 423-875 615-207 615-304 615-384 615-531 615-791
423-329 423-475 423-577 423-694 423-876 615-210 615-305 615-385 615-532 615-792
423-330 423-476 423-579 423-697 423-877 615-214 615-307 615-386 615-542 615-794
423-332 423-478 423-581 423-698 423-882 615-217 615-308 615-390 615-591 615-797
423-334 423-479 423-583 423-701 423-883 615-218 615-309 615-391 615-595 615-799
615-804 615-929 901-278 901-380 901-494 901-605 901-738 901-831 931-358 931-638
615-806 615-930 901-279 901-381 901-495 901-606 901-743 901-832 931-359 931-639
615-812 615-936 901-282 901-382 901-496 901-607 901-744 901-833 931-362 931-645
615-813 615-943 901-285 901-383 901-497 901-608 901-745 901-834 931-363 931-647
615-816 615-944 901-286 901-384 901-521 901-609 901-746 901-836 931-379 931-648
615-817 615-948 901-287 901-385 901-522 901-610 901-747 901-850 931-380 931-659
615-821 615-951 901-288 901-386 901-523 901-612 901-748 901-853 931-381 931-670
615-822 615-952 901-301 901-387 901-524 901-613 901-749 901-854 931-387 931-680
615-824 615-957 901-307 901-388 901-525 901-614 901-751 901-855 931-388 931-682
615-826 615-960 901-309 901-391 901-526 901-616 901-752 901-861 931-389 931-684
615-830 615-963 901-320 901-392 901-527 901-617 901-753 901-867 931-393 931-685
615-831 615-969 901-321 901-395 901-528 901-618 901-754 901-877 931-413 931-703
615-832 615-972 901-323 901-396 901-529 901-624 901-755 901-878 931-424 931-723
615-833 615-973 901-324 901-397 901-531 901-627 901-756 901-884 931-425 931-728
615-834 615-974 901-325 901-398 901-532 901-635 901-757 901-885 931-433 931-729
615-835 615-975 901-327 901-399 901-533 901-637 901-758 901-886 931-438 931-759
615-837 615-978 901-329 901-412 901-534 901-638 901-759 901-887 931-454 931-762
615-838 901-209 901-330 901-413 901-535 901-639 901-761 901-922 931-455 931-764
615-847 901-213 901-332 901-418 901-536 901-640 901-762 901-925 931-461 931-766
615-848 901-216 901-335 901-421 901-537 901-641 901-763 901-926 931-465 931-796
615-849 901-220 901-336 901-422 901-538 901-642 901-764 901-934 931-468 931-801

615-851 901-221 901-337 901-423 901-539 901-644 901-765 901-935 931-469 931-808
615-855 901-222 901-340 901-424 901-541 901-645 901-766 901-937 931-486 931-827
615-859 901-223 901-344 901-425 901-542 901-646 901-767 901-942 931-487 931-840
615-860 901-224 901-345 901-426 901-543 901-648 901-769 901-946 931-489 931-857
615-862 901-226 901-346 901-427 901-544 901-658 901-771 901-947 931-490 931-905
615-865 901-227 901-348 901-433 901-545 901-659 901-772 901-948 931-503 931-906
615-867 901-229 901-352 901-434 901-546 901-660 901-773 901-954 931-527 931-920
615-868 901-231 901-353 901-441 901-547 901-661 901-774 901-967 931-540 931-937
615-870 901-233 901-354 901-442 901-550 901-663 901-775 901-968 931-551 931-962
615-871 901-235 901-355 901-444 901-552 901-664 901-777 901-976 931-552 931-964
615-872 901-237 901-356 901-447 901-561 901-668 901-779 901-983 931-553 931-967
615-874 901-241 901-357 901-448 901-565 901-678 901-783 901-986 931-560 931-968
615-876 901-242 901-358 901-452 901-566 901-680 901-784 901-987 931-561 931-980
615-880 901-244 901-360 901-454 901-568 901-681 901-785 901-988 931-572 931-987
615-882 901-245 901-362 901-458 901-569 901-682 901-786 901-989 931-580
615-883 901-246 901-363 901-465 901-570 901-683 901-787 931-206 931-582
615-884 901-253 901-365 901-466 901-572 901-684 901-788 931-212 931-583
615-885 901-254 901-366 901-475 901-573 901-685 901-789 931-215 931-598
615-886 901-256 901-367 901-476 901-574 901-686 901-790 931-216 931-607
615-889 901-258 901-368 901-481 901-575 901-692 901-794 931-220 931-619
615-890 901-262 901-369 901-482 901-576 901-703 901-795 931-221 931-622
615-893 901-263 901-370 901-483 901-577 901-721 901-797 931-224 931-623
615-895 901-264 901-371 901-484 901-578 901-722 901-803 931-232 931-624
615-896 901-265 901-372 901-485 901-579 901-723 901-818 931-235 931-625
615-898 901-266 901-373 901-486 901-580 901-724 901-820 931-270 931-626
615-902 901-267 901-374 901-487 901-581 901-725 901-821 931-281 931-627
615-904 901-268 901-375 901-488 901-583 901-726 901-824 931-285 931-628
615-907 901-269 901-376 901-489 901-584 901-728 901-825 931-290 931-629
615-912 901-272 901-377 901-490 901-593 901-729 901-826 931-296 931-632
615-918 901-274 901-378 901-491 901-603 901-734 901-827 931-318 931-636
615-923 901-276 901-379 901-493 901-604 901-737 901-828 931-326 931-637

LIGHTNETWORKS, INC.

Attachment I

Pre-Filed Testimony

BEFORE THE
TENNESSEE
TRANSPORTATION AND REGULATORY AUTHORITY

In the matter of the Application of)	
LightNetworks, Inc.)	
for Authority to Provide)	TRA Docket _____
Facilities Based Competing Local and)	
Long Distance Telecommunications Services)	

TESTIMONY OF M. ESTON KIRBY, JR.
Vice President of Planning

1 **Q. Will you please state your name and business address.**

2 A. My name is M. Eston Kirby, Jr. My business address is 981 Ashby Street, Suite 103,
3 Atlanta, Georgia 30318. My telephone number is (404) 877-1190 and facsimile number is
4 (603) 699-0060.

5
6 **Q. By whom are you employed and in what capacity?**

7 A. As the Vice President of Planning, I am responsible for all facets of the Company's
8 operations from a network planning perspective, including regulatory and external affairs and
9 issues regarding LightNetworks, Inc.

10
11 **Q. Please give a brief description of your background and experience.**

12 A. Prior to joining LightNetworks, I served as a Business Planning and Collocation
13 Manager for BlueStar Communications, where I was responsible for planning and establishing
14 their collocation network in approximately 20 cities. Prior to this, I was a Senior Manager
15 with Cathey, Hutton & Associates, Inc. a private telecommunications consulting firm where I
16 provided CLEC consulting to clients within the Southeast region. Prior to this I was employed
17 by BellSouth Telecommunications, inc. from 1968 to late 1996 where I held various
18 management positions in network planning, engineering and marketing

19
20 **Q. What is the purpose of your testimony?**

21 A. The purpose of my testimony is to present evidence on the financial, technical and
22 managerial abilities of LightNetworks, Inc. to provide local telecommunications services in
23 Tennessee; and to describe the services LightNetworks proposes to offer.

24
25 **Q. Has LightNetworks registered to do business in Tennessee?**

26 A. Yes. LightNetworks is Georgia Corporation. Registration to conduct business in
27 Tennessee is provided in Attachment C of the application.

1 **Q. Has LightNetworks previously obtained authority in Tennessee?**

2 A. No.

3
4 **Q. Please describe the services LightNetworks proposes to offer.**

5 A. LightNetworks proposes to offer local dial tone services to its customers which will be
6 comparable to and competitive with services offered by the incumbent local exchange carriers.

7
8 **Q. How will LightNetworks bill for its services?**

9 A. LightNetworks' local services will be billed directly by the company on a monthly basis.
10 Fixed monthly charges will be billed monthly in advance, usage-sensitive charges will be billed
11 in arrears.

12
13 **Q. How are trouble reports, billing errors and complaints handled?**

14 A. Billing disputes will be reported by the customer via the toll free number, printed on the
15 Customer's monthly bill. Customer service disputes will be reported via the same 800 number.
16 In addition, Customers may contact the Company in writing at the headquarters address.
17 LightNetworks understands the importance of effective customer service for local service
18 consumers.

19
20 **Q. Describe the proposed LightNetworks Tennessee tariff.**

21 A. Services included in LightNetworks' tariff include: Standard Local Service, PBX Trunk
22 Service, Direct Inward Dialing (DID) Service, Optional Calling Features, Listing Services,
23 Directory Assistance, Operator Services and Long Distance Services. Services are offered to both
24 business and residential customers twenty-four hours per day, seven days per week.

1 **Q. Where is LightNetworks currently certificated?**

2 A. LightNetworks is in the initial stages of filing for certifications and is not offering service as
3 of this date.

4
5 **Q. Describe LightNetworks' financial ability to operate as a local service provider.**

6 A. LightNetworks has ample resources for the successful provision of its telecommunications
7 services. We have provided financial information with our application which clearly demonstrate
8 that LightNetworks has arranged for the cash flow and capital to expand into the facilities based
9 CLEC market in Tennessee.

10
11 **Q. Does LightNetworks have the managerial and technical qualifications to provide local
12 service in Tennessee?**

13 A. Yes. LightNetworks has an experienced management team. Resumes of key management staff
14 are provided as Attachment F in of the Company's application.

15
16 **Q. Where in Tennessee does LightNetworks intend to offer its services?**

17 A. LightNetworks intends to initially offer services in areas of the state served by BellSouth, but
18 seeks statewide authority for future applications.

19
20 **Q. How will Tennessee consumers benefit from LightNetworks' services?**

21 A. Certification of LightNetworks will increase the level of competition in Tennessee.
22 LightNetworks intends to offer quality service at competitive prices. In addition, LightNetworks'
23 marketing plan will expand subscriber awareness of options and services available to them, thus
24 encouraging the growth and success of competitive services.

1 **Q. Why is LightNetworks seeking facilities-based authority in Tennessee? Will**
2 **LightNetworks use any public rights-of-way?**

3 A. Initially, LightNetworks plans to purchase unbundled network elements (UNE) . The
4 Applicant will recombine Lucent 5ESS, or equivalent switch. Since LightNetworks has no
5 immediate plans to deploy cable, it does not foresee using public rights-of-way in the next
6 year. However, LightNetworks does want the Commission's consent to use public rights-of-
7 way pursuant to applicable laws for possible future installations.

8
9 **Q. How will LightNetworks insure it is Y2K compliant?**

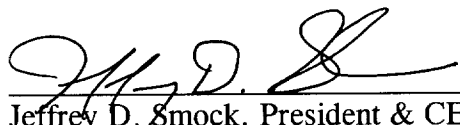
10 A. LightNetworks will insure that the services it purchases and deploys are Y2K
11 compliant by working closely with the Incumbent LEC and its switch vendor. Additionally,
12 LightNetworks is taking steps to insure that all of its equipment, including office equipment,
13 is Y2K compliant.

14
15 **Q. Does this conclude your testimony?**

16 A. Yes.

VERIFICATION


I, Jeffrey D. Smock , first being duly sworn upon oath, depose and say that I am President and Chief Executive Officer of LightNetworks, Inc., a Georgia Corporation; that I have read the above and foregoing prefiled testimony by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except to those matters stated upon information and belief, and as to those, I believe same to be true.


Jeffrey D. Smock, President & CEO
LightNetworks, Inc.

State of GEORGIA
County of FULTON

Subscribed and sworn to before me

this 8 day of Nov, 1999


Notary Public

My Commission expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires March 25, 2002

LIGHTNETWORKS, INC.

Attachment J

Proposed Tariff

LIGHTNETWORKS, INC.
981 Ashby Street, Suite 103
Atlanta, Georgia 30318

Tennessee Tariff No. 1
Original Title Page

REGULATIONS AND RATES
for END USER

LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

LIGHTNETWORKS, INC.

WITHIN TENNESSEE

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

CHECK SHEET

The pages listed below are effective as of the date shown. The original and revised pages contain all changes from the original tariff in effect on the date shown on each page.

<u>Section 1</u>	<u>Page</u>	<u>Revision</u>		<u>Section 2</u>	<u>Page</u>	<u>Revision</u>	
	1	Original	*		33	Original	*
	2	Original	*		34	Original	*
	3	Original	*		35	Original	*
<u>Section 2</u>	1	Original	*	<u>Section 3</u>	1	Original	*
	2	Original	*	<u>Section 4</u>	1	Original	*
	3	Original	*		2	Original	*
	4	Original	*	<u>Section 5</u>	1	Original	*
	5	Original	*		2	Original	*
	6	Original	*		3	Original	*
	7	Original	*		4	Original	*
	8	Original	*		5	Original	*
	9	Original	*		6	Original	*
	10	Original	*		7	Original	*
	11	Original	*		8	Original	*
	12	Original	*		9	Original	*
	13	Original	*		10	Original	*
	14	Original	*		11	Original	*
	15	Original	*				
	16	Original	*				
	17	Original	*				
	18	Original	*				
	19	Original	*				
	20	Original	*				
	21	Original	*				
	22	Original	*				
	23	Original	*				
	24	Original	*				
	25	Original	*				
	26	Original	*				
	27	Original	*				
	28	Original	*				
	29	Original	*				
	30	Original	*				
	31	Original	*				
	32	Original	*				

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

CHECK SHEET (continued)

<u>Page</u>	<u>Revision</u>		<u>Page</u>	<u>Revision</u>	
<u>Section 6</u>			<u>Section 8</u>		
1	Original	*	1	Original	*
2	Original	*	2	Original	*
3	Original	*	3	Original	*
4	Original	*	4	Original	*
5	Original	*	<u>Section 9</u>		
6	Original	*	1	Original	*
7	Original	*	2	Original	*
8	Original	*	3	Original	*
9	Original	*	<u>Section 10</u>		
10	Original	*	1	Original	*
11	Original	*	2	Original	*
<u>Section 7</u>			3	Original	*
1	Original	*	<u>Section 11</u>		
2	Original	*	1	Original	*
3	Original	*	<u>Section 12</u>		
4	Original	*	1	Original	*
5	Original	*	2	Original	*
			3	Original	*
			4	Original	*
			5	Original	*
			6	Original	*
			7	Original	*

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

TABLE OF CONTENTS

Description

CHECK SHEET 1

TABLE OF CONTENTS 3

EXPLANATION OF SYMBOLS 4

APPLICATION OF TARIFF 5

1.0 - DEFINITIONS

2.0 - RULES AND REGULATIONS

3.0 - SERVICE AREAS

4.0 - SERVICE CHARGES

5.0 - NETWORK SERVICE DESCRIPTIONS

6.0 - LOCAL SERVICES PRICE LIST

7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES

8.0 - LOCAL OPERATOR SERVICES

9.0 - TOLL SERVICES

10.0 - MISCELLANEOUS SERVICES

11.0 - PROMOTIONAL OFFERINGS, VOLUME AND TERM DISCOUNTS

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS

Issued: November 29, 1999

Effective:

Issued By: Jeffrey D. Smock
President and CEO

TNF9900

EXPLANATION OF SYMBOLS

The following symbols shall be used in this tariff for the purpose indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify increased rate.
- (M) To signify a move in the location of text.
- (N) To signify new rate or regulation.
- (R) To signify reduced rate.
- (S) To signify reissued matter.
- (T) To signify a change in text but no change in rate or regulation.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

APPLICATION OF TARIFF

This tariff contains the service offerings, rates, terms and conditions for the Company's telecommunications services offered within Tennessee.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 1.0 - DEFINITIONS

For the purpose of this tariff, the following definitions apply:

Advance payment is a part or all of a payment required before the start of service.

Automatic number identification (ANI) is the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party Customer. The primary purpose of ANI is for billing toll calls.

Bit is the smallest unit of information in the binary system of notation.

Company refers to **LightNetworks, Inc.**, the carrier, unless otherwise indicated.

Customer or subscriber is the person, firm or corporation that orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Deposit is the cash or equivalent of cash security held as a guarantee for payment of the charges.

DID trunk is a form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of an operator.

Direct inward dial (DID) is a service attribute that routes incoming calls directly to stations, by-passing a central answering point.

Direct outward dial (DOD) is a service option that allows individual station users to access and dial outside numbers directly.

End office is a location where the Company's switch is installed. The switch is assigned an NPA-NXX code and is the point of interconnection for that NPA-NXX code listed in the Local Exchange Routing Guide.

End user is a Customer, joint user or any other person authorized by a Customer to use service provided under this tariff.

Exchange is a geographical area established for the rating of telecommunications.

Exchange telephone company or telephone company is any individual, partnership, association, joint-stock company, trust or corporation authorized by the TRA to provide public switched communications throughout an exchange area or between exchange areas.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 1.0 - DEFINITIONS (continued)

Hearing impaired refers to all persons with communication impairments, including the hearing impaired, deaf, deaf/blind and speech impaired whose impairment prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

Hunting is the routing a call to an idle station line in a prearranged group when the called station line is busy.

IXC or interexchange carrier is a long distance telecommunications services provider that furnishes services between exchange areas.

Kilosegment - A segment is a means of measuring the volume of transmitted information. The segment size is the number of octets of call user data contained in a packet segment. The standard segment size is 64 octets. The number of segments in a packet is determined by dividing the number of octets of call user data in a packet by 64 and rounding up. A kilosegment is one thousand segments.

Local access and transport area (LATA) is a geographical area established under the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association (NECA) Tariff F.C.C. No. 4.

Local Calling is a completed call or telephonic communications between a calling station and any other station within the local service area of the calling station.

Monthly recurring charges are those monthly charges to the Customer for services, facilities or equipment which continue and are billed to the Customer each month for the duration of the service.

Nonrecurring charge (NRC) is the initial charge, usually assessed on a one-time basis, to install equipment and facilities to establish service.

Numbering plan area (NPA) is the same as an area code.

PBX means private branch exchange

Presubscription is an arrangement whereby a Customer may select and designate to the Company a carrier he or she wishes to access, without an access code, for completing intraLATA and/or interLATA toll calls. The selected carrier is referred to as the Primary Interexchange Carrier.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 1.0 - DEFINITIONS (continued)

Recurring charges are the same as monthly recurring charges.

Service commencement date is the first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards in the service order or this tariff, in which case the service commencement date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute service commencement date.

Service order is the written request for network services executed by the Customer and the Company. The signing of a service order by the Customer and acceptance by the Company begins the respective obligations of the parties in that order and under this tariff. The duration of the service is calculated from the service commencement date.

Shared refers to a facility or equipment system that can be used simultaneously by several Customers.

Station refers to telephone equipment from or to which calls are placed.

TRA refers to the Tennessee Regulatory Authority, unless otherwise indicated.

Trunk is a communications path connecting two switching systems in a network, used in the establishment of an end to end communication.

Two-way service includes both outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

Usage based charges are rates for minutes or messages traversing over local exchange facilities.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service under the terms of this tariff with one-way and two-way information transmission originating from and terminating to points within Tennessee.

2.1.2 Shortage of Equipment or Facilities

- A. The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B. The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and equipment and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers, from time to time, to furnish service as required at the sole discretion of the Company.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.3 Terms and Conditions

- A.** Service is provided for a minimum period of thirty days, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- B.** Customers may be required to enter into written or oral service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- C.** Except as otherwise stated in the tariff, at the expiration of the initial term specified in each service order, or in any extension of the service order, service shall continue on a month-to-month basis at the then current rates, unless terminated by either party upon 30 days notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D.** This tariff shall be interpreted and governed by the laws of Tennessee without regard to any choice of laws provision under a written contract or service order.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.3 Terms and Conditions (continued)

- E.** Other carriers may not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
- F.** To the extent that either the Company or any other carrier exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the other carrier shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity.
- G.** The Company reserves its rights to establish service packages specific to a particular Customer. These contracts may or may not be associated with volume or term discounts.
- H.** The Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business. Nothing in this provision shall be construed to be inconsistent with number portability requirements.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.4 Limitations on Liability

- A.** In view of the fact that the Customer has exclusive control of his communications over the facilities furnished him by the Company, and other uses for which facilities may be furnished him by the Company, and because of the unavoidableness of errors incident to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the regulations and limitations specified herein.
- B.** The Company's failure to provide or maintain facilities under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Company's reasonable control, subject to the interruption allowance provisions under this tariff.
- C.** Defacement of premises - No liability shall attach to the Company by reason of any defacement or damage to the Customer's premises resulting from the existence of the Company's equipment or facilities on such premises, or by the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company or its employees.
- D.** Indemnification - The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit by a Customer or by any others, the Customer indemnifies and saves harmless the Company against claims, losses or suits for injury to or death of any person, or damage to any property which arises from the use, placement or presence of the Company's equipment, facilities and associated wiring of the Customer's premises and further the Customer indemnifies and saves harmless the Company against claims for libel, slander, invasion of privacy or the infringement of copyright arising directly or indirectly from the material transmitted over the facilities of the Company or the use thereof by the Customer; against claims for infringement of patents arising from combining with or using in connection with, facilities furnished by the Company and apparatus, equipment and systems provided by the Customer; and against all other claims arising out of any act or omission of the Customer in connection with the services or facilities provided by the Company. No agents or employees of other carriers shall be deemed to be agents or employees of the Company.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.4 Limitations on Liability (continued)

- E.** The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a Customer or any others, for damages arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service hereunder, the Company's liability, if any, shall not exceed an amount equivalent to the proportionate charge to the Customer for the period of service during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. This liability shall be in addition to any amounts that may otherwise be due to the Customer under this tariff as an allowance for interruptions. However, any such mistakes, omission, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to by the negligence or willful act of the Customer, or authorized user, or joint user, or which arise from the use of Customer provided facilities or equipment shall not result in the imposition of any liability whatsoever upon the Company.
- F.** The Company shall not be liable for any damages, including usage charges, that the Customer may incur as a result of the unauthorized use of authorization codes or communications equipment. The unauthorized use of communications equipment includes, but is not limited to, the placement of calls from the Customer's premises, and the placement of calls through equipment controlled and/or provided by the Customer, that are transmitted over the Company's network without the authorization of the Customer. The Customer shall be fully liable for all such usage charges.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.4 Limitations on Liability (continued)

- G.** Directory Errors - The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a Customer or any others, for damages arising from errors or omissions in the making up or printing of its directories or in accepting listings as presented by Customers or prospective Customers, the Company's liability, if any, shall not exceed the amount paid for local exchange service during the period covered by the directory in which the error or omission occurred.
- H.** The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.
- I.** The Company makes no warranties or representations, express or implied, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- J.** Failure by the Company to assert its rights under a provision of this tariff does not preclude the Company from asserting its rights under other provisions.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.4 Limitations on Liability (continued)

K. With respect to Emergency Number 911 Service:

1. This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits, or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by : (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
2. Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies, or municipalities, or the employees or agents of any one of them.
3. When a Customer with a nonpublished telephone number, as defined herein, places a call to the emergency 911 service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 service upon request of such governmental authority. By subscribing to service under this tariff, the Customer acknowledges and agrees with the release of information as described above.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period applies to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

2.1.6 Provision of Equipment and Facilities

- A. The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- B. The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- C. Equipment the Company provides or installs at the Customer premises shall not be used for any purpose other than that for which the equipment is provided.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.6 Provision of Equipment and Facilities (continued)

- D.** Except as otherwise indicated, Customer provided station equipment at the Customer's premises for use with this service shall be so constructed, maintained and operated as to work satisfactorily with the Company's facilities.
- E.** The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished under this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

 - 1. the through transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
 - 2. the reception of signals by Customer-provided equipment; or
 - 3. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.7 Non-routine Installation

At the Customer's request, installation or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays or night hours, additional charges may apply.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable effort basis at the Customer's request. Special construction is construction undertaken:

- A.** where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- B.** of a type other than that which the Company would normally utilize in the furnishing of its services;
- C.** over a route other than that which the Company would normally utilize in the furnishing of its services;
- D.** in a quantity greater than that which the Company would normally construct;
- E.** on an expedited basis;
- F.** on a temporary basis until permanent facilities are available;
- G.** involving abnormal costs; or
- H.** in advance of its normal construction.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.1 Undertaking of the Company (continued)

2.1.9 Ownership of Facilities

Title to all facilities provided under this tariff remains in the Company, its partners, agents, contractors or suppliers.

2.2 Prohibited Uses

2.2.1 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

2.2.2 The Company may require applicants for service who intend to use the Company's offerings for resale or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the TRA's regulations, policies, orders and decisions.

2.2.3 The Company may block any signals being transmitted over its network by Customers which cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.

2.2.4 A Customer or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and nonrecurring installation charges as stated in this tariff will apply.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A.** the payment of all applicable charges under this tariff;
- B.** reimbursing the Company for damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the non-compliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- C.** providing at no charge, as specified from time to time by the Company, any needed equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- D.** obtaining, maintaining and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide communications services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.3.1(c). Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer; the Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.3 Obligations of the Customer (continued)

2.3.1 General (continued)

- E.** providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment; the Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company; the Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;
- F.** complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(d); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- G.** not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- H.** making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.
- I.** The Customer is responsible for taking all steps necessary to cancel or otherwise discontinue any service(s) to be replaced by any LIGHTNETWORKS, INC. service(s) as described herein.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.3 Obligations of the Customer (continued)

2.3.2 Liability of the Customer

- A.** The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- B.** To the extent caused by any negligent or intentional act of the Customer as described in (a), preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.
- C.** The Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.4 Customer Equipment and Channels

2.4.1 General

A user may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- A.** Terminal equipment on the user's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the user. The user is responsible for the provision of wiring or cable to connect its terminal equipment to the Company's network.
- B.** The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.4 Customer Equipment and Channels (continued)

2.4.3 Inspections

- A. Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements under Section 2.4.2(b) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
- B. If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.
- C. If harm to the Company's network, personnel or services is imminent, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

2.4.4 Interconnection of Facilities

- A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange service and the channels, facilities, or equipment of others may be provided at the Customer's expense.
- B. Service provided herein may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.
- C. Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.5 Customer Deposits and Advance Payments

2.5.1 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to one (1) month's estimated billing, upon which the advance can be collected and subsequently rebilled. In addition, the advance payment may also include an amount equal to the estimated nonrecurring charges and recurring charges for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's next bill. Advance payments do not accrue interest. An advance payment may be required in addition to a deposit.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.5 Customer Deposits and Advance Payments (continued)

2.5.2 Deposits

- A. To safeguard its interests, the Company may require the Customer to make a deposit to be held as a guarantee for the payment of charges under TRA rules. A deposit may be required if the Customer's financial condition is not acceptable to the Company or is not a matter of general knowledge. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. A deposit may be required in addition to an advance payment. The deposit will not exceed an amount equal to:
1. two regular billing periods.; or
 2. the charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one month; except that the deposit may include an additional amount in the event that a termination charge is applicable. Such a deposit shall in no event exceed two (2) months. In addition, the Company shall be entitled to require such an applicant or Customer to pay all his or her bills within a specified period of time, and to make such payments in cash or cash equivalent. At the Company's option, such deposit may be refunded to the Customer's account at any time. The Company also reserves the right to cease accepting and processing service orders after it has requested a security deposit and prior to the Customer's compliance with this request.
- B. Upon discontinuance of service, the Company shall promptly and automatically refund the Customer's deposit plus accrued interest, or the balance, if any, in excess of the unpaid bills including any penalties assessed for service furnished by the Company.
- C. Deposits will accrue interest annually in accordance with TRA rules, at a rate specified by the TRA. Upon request of the Customer, accrued interest shall be annually credited to the Customer by deducting such interest from the amount of the next bill for service following the accrual date.
- D. The Company shall annually and automatically refund the deposits of residential Customers who have paid bills for 12 consecutive months without having had service discontinued for nonpayment or had more than one occasion on which a bill was not paid within the period prescribed and are not then delinquent in payment.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.6 Payment Arrangements

2.6.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer.

The Customer is responsible for the payment of federal excise taxes, state and local sales and use taxes and similar taxes imposed by governmental jurisdictions, all of which shall be separately designated on the Company's invoices. The Company will not separately charge for the Tennessee gross receipts tax on the Company's invoice for local services. Any taxes imposed by a local jurisdiction (e.g., county and municipal) will only be recovered from those Customers residing in the affected jurisdictions. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

Certain telecommunications services, as defined in the Tennessee statutes, are subject to state sales tax at the prevailing tax rates, if the services originate, or terminate in Tennessee, or both, and are charged to a Customer's telephone number or account in Tennessee.

2.6.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other users for services and facilities furnished to the Customer by the Company.

- A. Nonrecurring charges are due and payable upon receipt of the Company's invoice by the Customer.
- B. The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and recurring charges shall be due and payable upon receipt. When billing is based upon Customer usage, usage charges will be billed monthly for the preceding billing period.
- C. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.6 Payment Arrangements (continued)

2.6.2 Billing and Collection of Charges (continued)

- D.** Customer billing will begin on the service commencement date, which is the day the Company notifies the Customer that the service or facility is available for use, except that the service commencement date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards under this tariff or the service order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- E.** If any portion of the payment is not received by the Company within 30 days of receipt of the bill, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a one-time late payment charge of 1.5% per month shall be due to the Company for past due amounts which have not previously been subject to late payment fees. If the last calendar day for remittance falls on a Sunday, legal holiday or other day when the offices of the Company are closed, the final payment shall be extended through the next business day.
- F.** The Customer should notify the Company of any disputed items on an invoice within 30 days of receipt of the invoice. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Tennessee Regulatory Authority in accordance with the Authority's rules of procedure.
- G.** If service is disconnected by the Company under Section 2.6.3 and later re-installed, re-installation of service will be subject to all applicable installation charges. If service is suspended by the Company under Section 2.6.3 and later restored, restoration of service will be subject to the rates in Section 4.3 .

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.6 Payment Arrangements (continued)

2.6.3 Returned Check Charge

A service charge equal to \$10.00 will be assessed under Tennessee law for all checks returned by a bank or other financial institution for: insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.7 Disconnection and Reconnection

2.7.1 Service may be discontinued or refused for any of the following reasons:

- A.** As requested by the Customer.
- B.** When a telephone bill becomes delinquent.
- C.** When the Customer misrepresents his or her identity for the purpose of obtaining telephone service.
- D.** When the Customer violates any rule of the Company, and the violation adversely affects the safety of the Customer or other persons, or the integrity of the telephone system.
- E.** When the Customer causes or permits unauthorized interference with or use of telephone service situated on or about the Customer's premises.
- F.** For refusal to provide reasonable access to the Company for the purpose of inspection and maintenance of equipment owned by the Company.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.7 Disconnection and Reconnection (continued)

2.7.2 Notice of Discontinuance of Service

- A.** The Customer shall be given fifteen (15) days written notice before initial discontinuance of service, unless the discontinuance is upon Customer's request or involves a dangerous condition, violation of Company's rules or unauthorized interference or use of services in which case service may be discontinued immediately.
- B.** Notice shall be sent to the account name and address. Accurate records shall be kept as to the mailing date and service of notice is complete upon this mailing date.

2.7.3 Restoration of Service

- A.** Upon the Customer's request, an employee of the Company shall restore service promptly when (a) the cause of disconnection of service has been eliminated, or (b) applicable restoration charges have been paid, or (c) satisfactory credit arrangements have been made. Refer to Service Fees Rate Schedule for Restoration charge.
- B.** At all times, every reasonable effort shall be made to restore service on the restoration day requested.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.7 Disconnection and Reconnection (continued)

2.7.3 Disputes

- A.** If a Customer advises Company's office prior to the date of proposed discontinuance that all or any part of any billing as rendered is in dispute, or that the Company's reasons for discontinuance are factually invalid, Company shall:

 - 1. Immediately record the date, time, and place the complaint is made.
 - 2. Postpone discontinuance until a full investigation is completed and the dispute found to be invalid.
 - 3. Investigate the dispute promptly and completely.
 - 4. Attempt to resolve the dispute informally in a manner mutually satisfactory to both parties.
- B.** In attempting to resolve the dispute in a mutually satisfactory manner, Company may employ telephone communications, personal meetings, formal or informal hearings, onsite visits or any other technique reasonably conducive to settlement of the dispute.
- C.** In the event that a dispute is not resolved to the satisfaction of the Customer after a full investigation, the Customer shall be advised by the company of formal and informal proceedings available before the TRA. Service may then be discontinued if proper notice has been given.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.7 Disconnection and Reconnection (continued)

- 2.7.4** If the Customer orders service requiring special facilities dedicated to the Customer's use and then cancels his order before service begins, or prior to completion of the minimum period, or before completion of some other period mutually agreed upon by the Customer and Company, the Customer will be charged for the nonrecoverable portions of expenditures or liabilities expended on behalf of the Customer by Company and not fully reimbursed. If, based on the order, if construction has either begun or been completed, but no service provided, the nonrecoverable cost of such construction shall be charged to the Customer. Such charges shall be based on the percentage of work completed.
- 2.7.5** When service has been discontinued for failure to maintain credit as specified above, service will be restored after the service charge has been collected from the Customer.
- 2.7.6** Company reserves the right to cancel service to any Customer who uses or permits the use of obscene, profane or grossly abusive language over the Company's facilities, and who, after a five (5) day notice fails, neglects or refuses to cease and refrain from such practice or to prevent the same, and to remove its property from the premises of such person.
- 2.7.7** Service is furnished subject to the condition that the service will not be used for an unlawful purpose. Service will be discontinued if any law enforcement agency, acting within its apparent jurisdiction, advises in writing that such service is being used in violation of law and that a formal charge has been filed by competent authority against the Customer. Before discontinuing service to such Customer Company shall give to Customer no less than three days written notice of its intention to do so. Company will refuse to furnish service when it has reasonable grounds to believe that such service will be used in violation of law.
- 2.7.8** Company may refuse to furnish service to an applicant for service and may discontinue service to a Customer if any of the facilities, appliances, or apparatus on Customer's premise are found to be unsafe or causing harm to Company's facilities, and may refuse to furnish service until the applicant or Customer shall have remedied the condition.
- 2.7.15** Service is furnished subject to the conditions that there will be no abuse or fraudulent use of the service. Company may refuse to furnish or deny service to any person, firm, or corporation, who, over the facilities furnished by the Company, abuses or fraudulently uses the service.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.8 Interconnection

- 2.8.1** Service furnished by Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Company. Service furnished by Company is not part of a joint undertaking with such other companies. Any special interface equipment or facilities necessary to achieve compatibility between the facilities of Company and other participating carriers shall be provided at the Customer's expense.
- 2.8.2** Interconnection with the facilities or services of other carriers shall be under the applicable terms and conditions of the other carrier's tariffs. The Customer is responsible for taking all necessary legal steps for interconnecting his Customer-provided terminal equipment or communications systems with Company's facilities. Customer shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnection.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.9 Cancellation of Application for Service

2.9.1 Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.

2.9.2 Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.

2.9.3 Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.

2.9.4 The charges described above will be calculated and applied on a case-by-case basis.

2.10 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.11 Cancellation of Service/Termination Liability

If a Customer cancels a service order or terminates services before the completion of the term or where the Customer breaches the terms in the service contract, the Customer may be requested by the Company to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period under Section 2.6.2.

2.11.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- A.** all unpaid nonrecurring charges reasonably expended by the Company to establish service to Customer, plus;
- B.** any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of Customer, plus;
- C.** all recurring charges specified in the applicable service order for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation;
- D.** minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.12 Customer Liability for Unauthorized Use of the Network

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff.

2.12.1 The Customer is liable for the unauthorized use of the network obtained through the fraudulent use of a Company calling card, if such a card is offered by the Company, or an accepted credit card, provided that the unauthorized use occurs before the Company has been notified.

2.12.2 A Company calling card is a telephone calling card issued by the Company at the Customer's request, which enables the Customer or authorized user to place calls over the network and to have the charges for such calls billed to the Customer's account.

An accepted credit card is any credit card that a cardholder has requested or applied for and received, or has signed, used, or authorized another person to use to obtain credit. Any credit card issued as a renewal or substitute in accordance with this paragraph is an accepted credit card when received by the cardholder.

2.12.3. The Customer must give the Company written or oral notice that an unauthorized use of a Company calling card or an accepted credit card has occurred or may occur as a result of loss or theft.

2.12.4 The Customer is responsible for payment of all charges for calling card services furnished to the Customer or to users authorized by the Customer to use service provided under this tariff, unless due to the negligence of the Company. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by third parties, the Customer's employees, or the public.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.13 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties to a) any subsidiary, parent Company or affiliate of the Company; b) under any sale or transfer of substantially all the assets of the Company; or c) under any financing, merger or reorganization of the Company.

2.14 Allowances for Interruptions in Service

2.14.1 General

- A.** A credit allowance will be given when service is interrupted, except as specified in Section 2.14.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- B.** An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.14 Allowances for Interruptions in Service (continued)

2.14.1 General (continued)

- C. If the Customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, or refuses access to its premises for test and repair by the Company, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.
- D. The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.

2.14.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- A. due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
- B. due to the failure of power, equipment, systems, connections or services not provided by the Company;
- C. due to circumstances or causes beyond the reasonable control of the Company;
- D. during any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.14 Allowances for Interruptions in Service (continued)

2.14.2 Limitations of Allowances (continued)

- E.** during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- F.** that occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- G.** that was not reported to the Company within 30 days of the date that service was affected.
- H.** A service will not be deemed to be interrupted if a Customer continues to voluntarily make use of the such service. If the service is interrupted, the Customer can get a service credit, use another means of communications provided by the Company (under Section 2.14.3), or utilize another service provider;

2.14.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.14 Allowances for Interruption in Service (continued)

2.14.4 Application of Credits for Interruptions in Service

- A. If a Customer's service is interrupted other than by the negligence or willful act of the Customer, and it remains out of order for eight normal working hours or longer after access to the premises is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the Customer, when such adjustment exceeds \$1.00. The amount of adjustment or refund shall be determined on the basis of the known period of interruption, generally beginning from the time the service interruption is first reported. The refund to the Customer shall be a pro rata part of the month's flat rate charges for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for the service.
- B. For calculating credit allowances, every month is considered to have 30 days.

2.15 Listing and Billing Name Rule

When the Customer provides a listing name or a name that will appear in Caller ID systems, the Company reserves the right to suppress names that are intentionally misleading or offensive. The Company will notify the Customer before suppressing the name or prior to initiating service to make alternative arrangements. If the Customer is dissatisfied with the Company's determination, the Customer has the right to appeal the TRA for a decision.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.16 Notices and Communications

- 2.16.1** The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.16.2** The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- 2.16.3** Except as otherwise stated in this tariff, all notices or other communications required to be given under this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- 2.16.4** The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.17 Health Care Providers Support Program

2.17.1 General

The purpose of the Health Care Providers Support Program is to enable public and non-profit rural health care providers to have access to telecommunications services necessary for the provision of health care services at rates comparable to those paid for similar services in urban areas. The Health Care Providers Support Program offers eligible public and non-profit health care providers located in rural areas reduced rates for Company intrastate services, available in this Tariff. Such services must be purchased in accordance with the Rules adopted by the Federal Communications Commission (FCC) in its Universal Service Order 97-157, issued May 8, 1997 and the Tennessee Regulatory Authority in its Order in Cases 97-00888, issued June 22, 1998. The FCC Rules are codified at 47 Code of Federal Regulation (C.F.R.) 54.601 et. seq., and any amendments made thereto.

2.17.2 Regulations

- A. To be eligible for the reduced rates, rural health care providers are required to comply with the terms and conditions set forth in the FCC Rules.
- B. Reduced rates are available only to the extent that they are funded by the federal universal service fund.
- C. Eligible rural health care providers may aggregate demand with other entities to create a consortium. Universal service support shall apply only to the portion of eligible services used by an eligible health care provider.
- D. Responsibility of eligible health care providers
 - 1. Rural health care providers and consortia shall participate in a competitive bidding process for all services eligible for reduced rates in accordance with any state and local procurement rules.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.17 Health Care Providers Support Program

2.17.2 Regulations (continued)

D. Responsibility of eligible health care providers (continued)

2. Rural health care providers and consortia shall submit requests for services to the program Administrator, as designated by the FCC, and follow established procedures.
3. Services requested must be used for purposes related to the provision of health care services or instruction that the health care provider is legally authorized to provide under the law.
4. A health care provider that cannot obtain toll free access to an Internet service provider and who is eligible for support for limited toll-free access under the Rules must certify that it lacks toll-free Internet access and that it is an eligible health care provider.
5. Services cannot be sold, resold or transferred in consideration for money or any other thing of value.

E. Responsibility of the Company

1. The Company shall offer the rates and charges as specified in Section 3, to eligible health care providers to the extent that facilities and services are available and offered.
2. The Company shall offer services to eligible rural health care providers and consortia at prices no higher than the highest urban rate as defined in the FCC Order and Rules.
3. In competitive bidding situations, where specific flexible pricing arrangements are allowed, the Company may offer flexible pricing (to determine the reduced rate) subject to Tennessee Regulatory Authority approval.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 2.0 - RULES AND REGULATIONS (continued)

2.17 Health Care Providers Support Program

2.17.3 Rates and Charges

The following price adjustments will be available to eligible rural health care providers, except subparagraph C., which shall be available to all eligible health care providers, regardless of location:

- A. A reduced rate for telecommunications services, using a bandwidth capacity of up to 1.544 Mbps, not to exceed the highest tariffed or publicly available rate charged to a commercial customer for a similar service provided over the same distance in the nearest city in Tennessee with a population of at least 50,000.
- B. An exemption from some mileage charges for any telecommunications services, using a bandwidth capacity of up to 1.544 Mbps, that is necessary for the provision of health care services. The exempted mileage includes the distance between the rural health care provider and the most distant perimeter of the nearest city in Tennessee with a population of 50,000 or more, less the standard urban distance, which is the maximum average diameter of all cities with population of 50,000 or more in the state.
- C. Each eligible health care provider that cannot obtain toll-free access to an Internet service provider is entitled to receive toll charge credits for toll charges imposed for connecting to an Internet service provider as per the FCC Rules. Such toll charge credits are available pursuant to applicable toll tariffs.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 3.0 - SERVICE AREAS

3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by BellSouth as listed in the Tennessee Tariff under Section A3.6 Local Calling Areas.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 4.0 - SERVICE CHARGES AND SURCHARGES

4.1 Service Order and Change Charges

Nonrecurring charges apply to process service orders for new service, for changes in service and for changes to the Customer's primary interexchange carrier (PIC) code.

	Nonrecurring Charges	
	<u>Business</u>	<u>Residence</u>
Service Order new service, per primary line	\$58.50	\$41.50
Service Order, new service, per additional line	\$31.00	\$18.00
PIC change, each line, trunk or port	\$ 1.49	\$ 1.49
Service Order for rearrangements or changes		
per primary line	\$47.00	\$28.00
per additional line	\$15.00	\$15.00
Central Office Access Charge	\$	\$

4.2 Maintenance Visit Charges

Maintenance visit charges apply when the Company dispatches personnel to a Customer's premises to perform work necessary for installing new service, effecting changes in service or resolving troubles reported by the Customer when the trouble is found to be caused by the Customer's facilities.

Maintenance visit charges will be credited to the Customer's account in the event trouble is not found in the Company facilities, but the trouble is later determined to be in those facilities.

The time period for which the maintenance visit charges is applied will commence when Company personnel are dispatched at the Customer premises and end when work is completed. The rates for maintenance of service vary by time per Customer request.

Duration of time, per technician	<u>Rate</u>
Initial 15 minute increment	\$28.00
Each additional 15 minute increment	\$11.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 4.0 - SERVICE CHARGES AND SURCHARGES (continued)

4.3 Restoration of Service

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

	Nonrecurring Charge	
	<u>Business</u>	<u>Residence</u>
Per Occasion	\$24.00	\$20.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS

5.1 General

5.1.1 Services Offered

The following network services are available to all Customers.

Standard Local Service
PBX Trunk Service
Direct Inward Dial (DID) Service
Optional Calling Features
Listing Services (including Nonpublished and Non-list Services)
Directory Assistance
Operator Services
Special Construction and Arrangements
Access to 911 and toll services

5.1.2 Application of Rates

All services offered in this tariff are subject to service order and change charges where the Customer requests new services or changes in existing services, as well as indicated nonrecurring and monthly recurring charges.

5.1.3 Restrictions

Local service is offered for originating and terminating local calls. Service may not be used for originating or terminating non-local calls without paying applicable access charges and/or toll charges.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS (continued)

5.2 Standard Local Service

The Standard Local Service provides a Customer with a single, analog, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Standard Local Service lines are provided for the connection of Customer-provided wiring and FCC Part 68 approved devices.

An optional per line hunting feature is available for multiline Customers which routes a call to an idle station line in a prearranged group when the called station line is busy. Where facilities permit, more than one type of optional hunting arrangement may be provided.

Local exchange service lines and trunks are provided on a single party (individual) basis only. No multi-party lines are provided. Local calling service is available on a flat rate basis.

Standard Local Service provides a Customer with the ability to connect to the Company switching network which enables the Customer to:

- (a) place or receive calls to any calling station in the local calling area;
- (b) access 911 and/or Enhanced 911 Emergency Service;
- (c) access the interexchange carrier selected by the Customer for interLATA, intraLATA, interstate or international calling;
- (d) access Operator Services;
- (e) access Directory Assistance for the local calling area;
- (f) place or receive calls to 800 telephone numbers;
- (g) access Telephone Relay Service;
- (h) directory listing of the main telephone number.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICES DESCRIPTIONS (continued)

5.3 PBX Trunk Service

Basic PBX Trunk Service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Basic trunks are provided for connection of Customer-provided private branch exchanges to the public switched telecommunications network. Each basic PBX trunk is provided with touch tone signaling and may be configured into a hunt group at no additional charge with other Company-provided basic PBX trunks. The signal is an analog signal at the voice grade level.

PBX Trunk Service provides a Customer with a single, voice-grade telephonic communications channel which can be used to place or receive one call at a time. Trunks are provided for connection of Customer provided PBXs or other station equipment to the public switched telecommunications network.

PBX Trunks are available to Customers as inward, outward or two-way combination trunks where services and facilities permit.

5.4 Direct Inward Dialing (DID) Service

Direct inward dialing (DID) permits calls incoming to a PBX system or other Customer premises equipment to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer's location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the Customer's responsibility.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features

The features listed in this are offered to Customers either under the Standard Local Service, Enhanced Local Service or as options. For the option service price lists see Section 6.

5.5.1 Feature Descriptions

- A. **Call Block** allows the end-user to automatically block incoming calls from up to twelve end user pre-selected telephone numbers programmed into the feature's screening list. Callers whose numbers have been blocked will hear a recorded message stating that their call has been blocked. The end user controls when the feature is active, and can add or remove calling numbers from the feature's screening list.
- B. **Call Forwarding Busy Line - Basic** permits the forwarding of incoming calls when the end-user's line is busy. The forwarded number is fixed by the end-user service order.
- C. **Call Forwarding Don't Answer - Basic** permits the forwarding of incoming calls when the end-user's line remains unanswered after a pre-designated ringing interval. The ringing interval before forwarding and the forward-to number are fixed by the service order.
- D. **Call Forwarding Variable** permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation. The end-user must dial an activation code from his/her exchange line along with the forward-to number, and the forward-to-number must answer the call in order to turn the feature on. A separate code is dialed by the end-user to deactivate the feature.
- E. **Call Forwarding - Remote Access** permits the end-user to automatically forward (transfer) all incoming calls to another telephone number, and to restore it to normal operation at their discretion. The end-user must dial an activation code along with the forward-to number to turn the feature on. A separate code is dialed by the end-user to deactivate the feature. Feature activation may be performed from the end-user's exchange line or remotely from some other line. Remote access requires the end-user to 1) dial a special access number 2) enter their seven-digit telephone number and 3) enter a personal identification number prior to forwarding their calls.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features (continued)

5.5.1 Feature Descriptions (continued)

- F. Call Return** allows the Customer to return a call to the last incoming call whether answered or not. Upon activation, it will re-dial the number automatically and continue to check the number every 45 seconds for up to 30 minutes if the number is busy. The Customer is alerted with a distinctive ringing pattern when the busy number is free. When the Customer answers the ring, the call is then completed.
- G. Call Tracing** allows the tracing of nuisance calls to a specified telephone number suspected of originating from a given local office. The tracing is activated upon entering the specified dial code. The originating telephone number, outgoing trunk number or terminating number, and the time and date are generated for every call to the specified telephone number can then be identified to appropriate authorities. The service is rated on a per call traced basis.
- H. Call Waiting - Basic** provides a tone signal to indicate to a Customer already engaged in a telephone call that a second caller is attempting to dial in. It permits the Customer to place the first call on hold, answer the second call and then alternate between both callers. Cancel Call Waiting is provided with the feature and allows a Call Waiting end-user to disable the Call Waiting feature for the duration of a single outgoing telephone call. Cancel Call Waiting is activated by dialing a special code prior to placing a call, and is automatically deactivated when the Customer disconnects from the call.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features (continued)

5.5.1 Feature Descriptions (continued)

- I. Call Waiting - Deluxe** allows the end-user to control the treatment applied to incoming calls while the Customer is off-hook on an existing call. This feature includes the capabilities of Call Waiting Basic plus additional call treatment options. Treatment options offered with Call Waiting Deluxe include:

Answer the waiting call and placing the first party on hold;
Answer the waiting call and disconnecting from the first party;
Forward the waiting caller to another location (e.g., voice mailbox or telephone answering service)
Call Name Delivery

Full use of Call Waiting Deluxe requires specialized CPE not provided by the Company. It is the responsibility of the Customer to provide the necessary CPE. The end -user must have Caller ID Basic or Deluxe for display of calling party identification information for waiting calls. The end-user must have a Call Forwarding Don't Answer feature active in order to forward a waiting call to another location.

- J. Caller ID - Basic** permits the end-user to view a directory number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the Customer's responsibility to provide the necessary CPE.
- K. Caller ID - Deluxe** permits the end-user to view a directory name and directory number of the calling party on incoming telephone calls. Information is displayed on a specialized CPE not provided by the Company. The feature also provides the date and time of each incoming call. It is the responsibility of the Customer to provide the necessary CPE. In some situations, the calling party's city and state may be displayed rather than a directory name, depending on available call data.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features (continued)

5.5.1 Feature Descriptions (continued)

- L. Calling Number Delivery Blocking** prevents the delivery, display and announcement of the end-user's directory number and directory name on all calls dialed from an exchange service equipped with this option. When active, the end-user's telephone name and number will not appear on the called party's Caller ID CPE or be disclosed in another way. The feature is available on a per call basis. With per call Calling Number Delivery Blocking, it is necessary for the end-user to dial an activation code prior to placing the call.
- M. Multiple Directory Number Distinctive Ringing** - This feature allows an end user to determine the source of an incoming call from a distinctive ring. The end user may have up to three additional numbers assigned to a single line (i.e. Distinctive Ringing - First Number and Distinctive Ringing - Second Number). The designated primary number will receive a normal ringing pattern, other numbers will receive distinctive ringing patterns. The pattern is based on the telephone number that the calling party dials.
- N. Preferred Call Forwarding** permits the end-user to automatically forward to another number calls received from up to twelve end-user pre-selected telephone numbers programmed into the features screening list. The end-user controls when the feature is active, the forward-to number and can add or remove calling numbers from the feature's screening list.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features (continued)

5.5.1 Feature Descriptions (continued)

- O. Repeat Dialing** permits the end-user to have calls automatically re-dialed when the first attempt reaches a busy number. The line is checked every 45 seconds for up to 30 minutes and alerts the Customer with a distinctive ringing pattern when the busy number and the Customer's line are free. The Customer can continue to make and receive calls while the feature is activated. The following types of calls cannot be reached using Repeat Dialing:

calls to 800 service numbers
calls to 900 service numbers
calls preceded by an interexchange carrier access code
International Direct Distance Dialed calls
calls to Directory Assistance
calls to 911

- P. Speed Calling** permits the Customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. The feature is available as either an eight code list or a 30 code list. Code lists may include local and toll telephone numbers. The Customer has the ability to add telephone numbers to or remove them from the a speed calling list without the Company's help.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.5 Optional Calling Features (continued)

5.5.1 Feature Descriptions (continued)

- Q. Three-Way Calling** permits the end-user to add a third party to an established connection. When the third party answers, a two-way conversation can be held before adding the original party for a three-way conference. The end-user initiating the conference controls the call and may disconnect the third party to reestablish the original connection or establish a connection to a different third party. The feature may be used on both outgoing and incoming.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.6 Listing Services

For each Customer of Company-provided exchange service, the Company shall list the Customer's main billing telephone number in the directory published by the dominant local exchange carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings for an additional charge.

5.6.1 Nonpublished Service

This optional service provides for suppression of printed and recorded directory listings. A Customer's name and number do not appear in printed directories or Directory Assistance Bureau records.

5.6.2 Nonlisted Service

This optional service provides for suppression of printed directory listings only. Parties may still obtain the Customer's number by calling the Directory Assistance Bureau.

5.7 Directory Assistance

Provides for identification of telephone directory numbers, via an operator or automated platform. Customers are given a maximum of 2 listings per each call to Directory Assistance.

5.8 Operator Services

Provides for live or automated operator treatment when a Customer dials "0." Operator services can be used to help the Customer route or bill a call. Billing options include, but are not limited to, bill to originating telephone number, calling card, collect or to a third party.

5.9 Long Distance Services

The Company's long distance services are available under terms, conditions, regulations and rates as provided for in this tariff.

SECTION 5.0 - NETWORK SERVICE DESCRIPTIONS (continued)

5.10 Miscellaneous Services

5.10.1 Pay Per Call Blocking/Unblocking

This service provides the option of blocking, or subsequent unblocking, all 900 and 976 calls on a per line basis. The Company will provide for per-line blocking where the Company's switching facilities permit.

5.10.2 Presubscription Services

This service provides for the presubscription of local exchange lines provided by the Company to the intraLATA and interLATA long distance carriers selected by the Customer.

5.10.3 Vanity Telephone Numbers

At the request of the Customer, the Company may assign a telephone number with the last four digits selected by the Customer. The assignment is subject to availability of a particular number and subject to the terms and conditions under Section 2.1.3 H.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST

6.1 Standard Local Service

Recurring charges for Standard Local Service are billed monthly in advance. Nonrecurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company. The applicable local exchange and their calling scopes are described in Section 3 of this tariff. Nonrecurring charges apply and are listed in section 4.1 of this tariff.

6.1.1 Flat Rate Service

Flat Rate Service provides unlimited local calling. Zone charges of \$1.00 per month/per line apply to service outside of the base rate area. Local Calling Areas are defined in Section 3.1 of this tariff.

	Monthly Recurring Charges	
	<u>Business</u>	<u>Residential</u>
Flat Rate Service, per line		
Rate Group 1 (0 - 12,000 lines)	\$27.05	\$ 7.55
Rate Group 2 (12,001 - 27,000 lines)	\$30.80	\$ 8.50
Rate Group 3 (27,001 - 85,000 lines)	\$32.75	\$ 9.05
Rate Group 4 (85,001 - 300,000 lines)	\$39.05	\$11.85
Rate Group 5 (300,001-500,000 lines)	\$39.70	\$12.15
Nonrecurring Charges	See Sec. 4.1	
Hunting, per line	See Sec. 6.5.2	
Touchtone Dialing, per line	\$3.00	\$1.25

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.1 Standard Local Service (continued)

6.1.2 Measured Rate Service

Measured Rate Service includes a monthly line charge, plus local usage. A Monthly Usage Allowance for this service is listed below. Local Calling Areas are defined in Section 3.1 of this tariff.

	Monthly Recurring Charges	
	<u>Business</u>	<u>Residential</u>
Measured Rate Service, per line		
Rate Group 1 (0 - 12,000 lines)	\$18.95	\$5.30
Rate Group 2 (12,001 - 27,000 lines)	\$21.55	\$5.95
Rate Group 3 (27,001 - 85,000 lines)	\$22.95	\$6.35
Rate Group 4 (85,001 - 300,000 lines)	\$27.35	\$8.30
Rate Group 5 (300,001-500,000 lines)	\$27.80	\$8.50
Monthly Usage Allowance	\$10.00	\$7.50
Nonrecurring Charges	See Sec. 4.1	
Hunting, per line	See Sec. 6.5.2	
Touchtone Dialing, per line	\$3.00	\$1.25

A. Measured Rate Local Per Minute Usage Rates

Calls are billed in one minute increments. Day rates apply from 8:00 AM to 5:00 PM - Monday through Friday. Evening rates apply from 5:00 PM to 8:00 AM Monday through Friday and Sunday. Night and Weekend rates apply from 11:00PM to 8:00 AM Friday through Sunday and all times on Saturday.

Day		Evening		Night/Weekend	
Initial Min.	Add'l Min.	Initial Min.	Add'l Min.	Initial Min.	Add'l Min.
\$0.0400	\$0.0200	\$0.0260	\$0.0130	\$0.0160	\$0.0080

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.1 Standard Local Service (continued)

6.1.3 Message Rate Service

Monthly usage allowance of \$7.50 for business Customers and \$3.00 for residential Customers applies. Calls in excess of the allowance are billed at \$0.10 per call.

	Monthly Recurring Charges	
	<u>Business</u>	<u>Residential</u>
Message Rate Service, per line		
Rate Group 1 (0 - 12,000 lines)	\$23.95	\$ 3.80
Rate Group 2 (12,001 - 27,000 lines)	\$23.95	\$ 4.25
Rate Group 3 (27,001 - 85,000 lines)	\$23.95	\$ 4.55
Rate Group 4 (85,001 - 300,000 lines)	\$29.05	\$ 5.95
Rate Group 5 (300,001-500,000 lines)	\$29.75	\$ 6.10
Monthly Usage Allowance	\$ 7.50	\$ 3.50
Nonrecurring Charges	See Sec. 4.1	
Hunting, per line	See Sec. 6.5.2	
Touchtone Dialing, per line	\$ 3.00	\$ 1.25

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.1 Standard Local Service (continued)

6.1.4 RegionalServ

Regional Service provides local calling from Customer's home wire center to all wire centers within a 40 mile radius. Rates consist of an access line charge plus local usage. Monthly local usage charges for calls terminating in Band A will not exceed \$25.00 for business Customers and \$12.00 for residential Customers. A discount option is available for this service for an extra \$1.00 per month, which provides a 20% discount on the total usage charges in addition to the off-peak discounted rates.

	Monthly Recurring Charges	
	<u>Business</u>	<u>Residential</u>
RegionalServ, per line		
Rate Group 1 (0 - 12,000 lines)	\$24.50	\$ 4.50
Rate Group 2 (12,001 - 27,000 lines)	\$24.50	\$ 4.50
Rate Group 3 (27,001 - 85,000 lines)	\$24.50	\$ 4.50
Rate Group 4 (85,001 - 300,000 lines)	\$27.50	\$ 5.50
Rate Group 5 (300,001-500,000 lines)	\$27.50	\$ 5.50
Maximum Local Usage Charge	\$25.00	\$10.00
20% Discount Option	\$ 1.00	\$ 1.00
Nonrecurring Charges	See Sec. 4.1	
Hunting, per line	See Sec. 6.5.2	
Touchtone Dialing, per line	\$ 3.00	\$ 1.25

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.1 Standard Local Service (continued)

6.1.4 RegionalServ (continued)

A. RegionServ Per Minute Usage Rates

Calls are billed in one minute increments. Peak rates apply from 8:00 AM to 8:00 PM - Monday through Friday. Off Peak rates apply from 8:00 PM to 8:00 AM Monday through Friday and all times on Saturday and Sunday.

Mileage Bands	Peak		Off Peak	
	Initial Min.	Add'l Min.	Initial Min.	Add'l Min
Band A 0 - 16 Miles	\$0.02	\$0.02	\$0.010	\$0.010
Band B 17 - 30 Miles	\$0.05	\$0.05	\$0.025	\$0.025
Band C 31 + Miles	\$0.10	\$0.10	\$0.050	\$0.050

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.2 PBX Trunk Service

An optional per trunk hunting feature is available for Customers which routes a call to the next idle trunk in a prearranged group (see Section 6.5).

PBX trunks may also be equipped with DID capability and DID number blocks for additional charges (see Section 6.3).

6.2.1 Digital / Analog Trunks

Per Trunk

-Flat Rate	<u>Monthly</u>
Inward/Outward/Two-Way	
Rate Group 1 (0 - 12,000 lines)	\$47.34
Rate Group 2 (12,001 - 27,000 lines)	\$53.90
Rate Group 3 (27,001 - 85,000 lines)	\$57.31
Rate Group 4 (85,001 - 300,000 lines)	\$68.34
Rate Group 5 (300,001-500,000 lines)	\$69.48

-Message Rate Two-Way or Outward Only

First Trunk

First Trunk comes with a monthly allowance of 75 messages. Calls exceeding allowance are billed at \$0.10 per call.

Rate Group 1 (0 - 12,000 lines)	\$23.95
Rate Group 2 (12,001 - 27,000 lines)	\$23.95
Rate Group 3 (27,001 - 85,000 lines)	\$23.95
Rate Group 4 (85,001 - 300,000 lines)	\$29.05
Rate Group 5 (300,001-500,000 lines)	\$29.75

Additional Trunk

Rate Group 1 (0 - 12,000 lines)	\$16.45
Rate Group 2 (12,001 - 27,000 lines)	\$16.45
Rate Group 3 (27,001 - 85,000 lines)	\$16.45
Rate Group 4 (85,001 - 300,000 lines)	\$21.55
Rate Group 5 (300,001-500,000 lines)	\$22.25

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.2 PBX Trunk Service (continued)

6.2.1 Digital / Analog Trunks (continued)

Measured and RegionServ Trunks

First Trunk

Monthly

First Trunk comes with a monthly allowance
of 75 messages. Calls exceeding allowance
are billed at \$0.10 per call.

Rate Group 1 (0 - 12,000 lines)	\$23.95
Rate Group 2 (12,001 - 27,000 lines)	\$23.95
Rate Group 3 (27,001 - 85,000 lines)	\$23.95
Rate Group 4 (85,001 - 300,000 lines)	\$29.05
Rate Group 5 (300,001-500,000 lines)	\$29.75

Additional Trunk

Rate Group 1 (0 - 12,000 lines)	\$16.45
Rate Group 2 (12,001 - 27,000 lines)	\$16.45
Rate Group 3 (27,001 - 85,000 lines)	\$16.45
Rate Group 4 (85,001 - 300,000 lines)	\$21.55
Rate Group 5 (300,001-500,000 lines)	\$22.25

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.3 Direct Inward Dialing (DID) Service

DID permits calls incoming to a PBX system or other CPE to be routed to a specific station without the assistance of an attendant. DID calls are routed directly to the station associated with the called number. DID service as offered by the Company provides the necessary trunks, telephone numbers, and out-pulsing of digits to enable DID service at a Customer's location. DID service requires special PBX software and hardware not provided by the Company. Such hardware and software is the Customer's responsibility.

The following charges apply to Customers subscribing to DID service provided by the Company. These charges are in addition to recurring and nonrecurring charges for PBX Trunks as shown in Section 6.2. The Customer will be charged for the number of DID Number Blocks regardless of the number of DID numbers used from the available block of numbers.

DID Number Blocks	Nonrecurring Charges	Monthly Recurring Charge Month-to-Month
Each Group of 20 Working Numbers	\$55.00	\$3.40
Each Group of 20 Reserved Numbers	\$55.00	\$3.40
Multifrequency Pulsing Option	\$0.00	\$7.50
Dual Tone Multifrequency Pulsing Option	\$0.00	\$7.50
Automatic Intercept Service, Per Number	\$16.00	\$0.00

DID Trunk Termination

- Each Inward Only Trunk	\$50.00	\$20.00
- Each Combination Trunk with Call Transfer	\$250.00	\$45.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.4 Optional Calling Features (continued)

6.4.1 Optional Calling Features

The features in this section are made available on an individual basis or as part of multiple feature packages. All features are provided subject to availability. Certain features may not be available with all classes of service. Transmission levels for calls forwarded or calls placed or received using optional calling features may not be acceptable for all some uses in some cases.

The following optional calling features are offered to Customers on a monthly basis. Customers are allowed unlimited use of each feature. No usage sensitive charges apply. Multiline Customers must order the appropriate number of features based on the number of lines which will have access to the feature.

Optional Calling Features	Monthly Rate	
	Business	Residence
Call Block	\$5.50	\$4.00
Call Forwarding Busy Line - Basic	\$4.25	\$1.00
Call Forwarding Don't Answer - Basic	\$4.25	\$1.00
Call Forwarding Busy and Don't Answer	\$4.25	\$1.00
Call Forwarding Variable	\$3.00	\$3.00
Call Forwarding Remote Access	\$9.00	\$5.75
Call Return (or \$0.75 per use)	\$5.50	\$4.50
Call Tracing (rate is per call traced)	\$5.50	\$4.00
Call Waiting - Basic	\$3.90	\$3.00
Call Waiting - Deluxe	N/A	\$6.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.4 Optional Calling Features (continued)

6.4.1 Optional Calling Features (continued)

Optional Calling Features	Monthly Rate	
	Business	Residence
Caller ID - Basic (w/number)	\$10.00	\$7.00
Caller ID - Deluxe (w/name and number)	\$11.00	\$7.50
Calling Number Delivery Blocking (rate is per call)	\$0.00	\$0.00
Multiple Directory Number Distinctive Ringing	\$10.00	\$6.00
Repeat Dialing (or \$0.75 per use)	\$5.50	\$4.00
Speed Calling (8-code)	\$4.50	\$4.00
Speed Calling (30-code)	\$5.50	\$3.75
Three Way Calling (or \$0.75 per use)	\$4.50	\$4.00

To establish or change optional features, per feature	Nonrecurring Charge	
	<u>Business</u>	<u>Residence</u>
	\$24.00	\$20.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 6.0 - LOCAL SERVICES PRICE LIST (continued)

6.5 Other Charges

6.5.1 End-User Common Line (EUCL) Recovery Charge

	<u>Monthly Rate</u>
Single Line Residential Customer, per line	\$ 3.50
Each Additional Residential Line	\$ 6.07
Single Line Business Customer, per line	\$ 3.50
Multiline Business Line or Trunk, each	\$ 7.90

6.5.2 Hunting Line Service

The following charges apply to each Standard Local Line Service line arranged for hunting.

- Flat Rate

	<u>Business</u>	<u>Residential</u>
Rate Group 1 (0 - 12,000 lines)	\$20.29	\$ 5.66
Rate Group 2 (12,001 - 27,000 lines)	\$23.10	\$ 6.38
Rate Group 3 (27,001 - 85,000 lines)	\$24.56	\$ 6.79
Rate Group 4 (85,001 - 300,000 lines)	\$29.29	\$ 8.89
Rate Group 5 (300,001-500,000 lines)	\$29.78	\$ 9.11
Nonrecurring Charge	\$24.00	N/A

- Message and Measured Rate

Rate Group 1 (0 - 12,000 lines)	\$17.96	\$ 2.85
Rate Group 2 (12,001 - 27,000 lines)	\$17.96	\$ 3.19
Rate Group 3 (27,001 - 85,000 lines)	\$17.96	\$ 3.41
Rate Group 4 (85,001 - 300,000 lines)	\$21.79	\$ 4.46
Rate Group 5 (300,001-500,000 lines)	\$22.31	\$ 4.58
Nonrecurring Charge	\$24.00	N/A

- RegionServ

Rate Group 1 (0 - 12,000 lines)	\$18.38	\$ 3.38
Rate Group 2 (12,001 - 27,000 lines)	\$18.38	\$ 3.38
Rate Group 3 (27,001 - 85,000 lines)	\$18.38	\$ 3.38
Rate Group 4 (85,001 - 300,000 lines)	\$20.63	\$ 4.13
Rate Group 5 (300,001-500,000 lines)	\$20.63	\$ 4.13
Nonrecurring Charge	\$24.00	N/A

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES

7.1 Directory Listings

7.1.1 General

The following rules apply to standard listings in light face type in the white pages (alphabetical section) of the telephone directory and to the directory assistance records of the Company.

Only information necessary to identify the Customer is included in these listings. The Company may use abbreviations in listings. The Company may reject a listing it judges to be objectionable. A name made up by adding a term such as company, shop, agency, works, etc. to the name of a commodity or service will not be accepted as a listing unless the Customer is legally doing business under that name.

A name may be repeated in the white pages only when only when a different address or telephone number is used.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES (continued)

7.1 Directory Listings (continued)

7.1.2 Standard Listing

A standard listing includes a name, designation, address and telephone number of the Customer. It appears in the white pages of the telephone directory and in the Company's directory assistance records.

7.1.3 Free Listings

One listing for each individual line service, auxiliary line or PBX system are provided at no additional charge to the Customer.

7.1.4 Rates for Additional Listings

The following rates and charges apply to additional listings requested by the Customer over and above those free listings provided under Section 7.1.3

Type of Listing	Monthly Charge	
	Business	Residential
- Each Additional Listing	\$1.80	\$1.20
- Alternate Listings	\$1.80	\$1.80

These rates pertain to Customers who establish new service or to existing Customers who add or change their nights, sundays, or holidays' listings or listings indented under calling instructions.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES (continued)

7.2 Nonpublished Service

7.2.1 General

Nonpublished service means that the Customer's telephone number is not listed in the directory, nor does it appear in the Company's directory assistance records.

7.2.2 Regulations

This service is subject to the rules and regulations for E911 service, where applicable.

The Company will complete calls to a nonpublished number only when the caller dials direct or gives the operator number. No exceptions will be made, even if the caller says it is an emergency.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a nonpublished number in the directory or disclosing it to some. If, in error, the telephone number is published in the directory, the Company's only obligation is to credit or refund any monthly charges the Customer paid for nonpublished service.

The Customer indemnifies (i.e., promises to reimburse the Company for any amount the Company must pay as a result of) and save the Company harmless against any and all claims for damages caused or claimed to have been caused, directly or indirectly, by the publication of a nonpublished service or the disclosing of said number to any person.

7.2.3 Rates and Charges

There is a monthly charge for each nonpublished service. This charges does not apply if the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or if the service is installed for a temporary period.

Nonpublished service charge, per month:	\$2.50
-----------------------------------------	--------

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES (continued)

7.3 Nonlisted Service

7.3.1 General

Nonlisted service means that the Customer's telephone number is not listed in the directory, but it does appear in the Company's directory assistance records.

7.3.2 Regulations

This service is subject to the rules and regulations for E911 service, where applicable.

The Company will complete calls to a nonlisted number.

When the Company agrees to keep a number unlisted, it does so without any obligation. Except for cases of gross negligence or willful misconduct, the Company is not liable for any damages that might arise from publishing a nonlisted number in the directory or disclosing it to some. If, in error, the telephone number is listed in the directory, the Company's only obligation is to credit or refund any monthly charges the Customer paid for nonlisted service.

The Customer indemnifies (i.e., promises to reimburse the Company for any amount the Company must pay as a result of) and save the Company harmless against any and all claims for damages caused or claimed to have been caused, directly or indirectly, by the publication of a nonlisted service or the disclosing of said number to any person.

7.3.3 Rates and Charges

There is a monthly charge for each nonlisted service. This charges applies if the Customer has other listed service at the same location; if the Customer lives in a hotel, boarding house or club with listed service; or if the service is installed for a temporary period.

Nonlisted service charge, per month:	\$1.30
--------------------------------------	--------

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 7.0 - DIRECTORY ASSISTANCE AND LISTING SERVICES (continued)

7.4 Directory Assistance Services

7.4.1 Directory Assistance

A directory assistance charge applies per local directory assistance call. The Customer may make two requests for a telephone number per call. The directory assistance charge applies regardless of whether the directory assistance operator is able to supply the requested number. Single line Customers will receive a three-call allowance for local directory assistance. Multiline Customers get two additional calls to local directory assistance at no charge per month per line, up to the first twenty-five (25) additional lines and one month per line over twenty-five lines.

Each local directory assistance call	\$0.29
--------------------------------------	--------

Each long distance directory assistance call	\$0.85
----------------------------------------------	--------

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 8.0 - LOCAL OPERATOR SERVICES

8.1 General

The Company's Local Operator Assisted Calling is available for use by presubscribed Customers as well as transient end users served from aggregated locations. Calls are billed in one minute increments, with additional per call charges reflecting the level of operator assistance and billing arrangement requested by the Customer.

8.2 Local Operator Assisted Services

8.2.1 Operator Service Call Types

- A. **Customer Dialed Calling/Credit Card Call** charge applies in addition to local usage charges for station to station calls billed to an authorized calling card or commercial credit card. The Customer must dial the destination telephone number and card number where the capability exists for the Customer to do so.
- B. **Operator Dialed Calling/Credit Card Call** charge applies in addition to local usage charges for station to station calls billed to an authorized calling card or commercial credit card and the operator dials the destination telephone number at the request of the Customer.
- C. **Operator Station** charges apply in addition to local usage charges for non-person-to-person calls placed using the assistance of a Company operator and billed to the originating line, collect, to a third party, by deposit of coins in pay telephones, or via some method other than a calling card or commercial credit card.
- D. **Person-to-Person** rates apply in addition to local usage charges for calls placed with the assistance of a Company operator to a particular party at the destination number. This charge applies regardless of billing method, including but not limited to billing to the originating line, a calling card, commercial credit card, collect, by deposit of coins in pay telephones, or to a third party. Charges do not apply unless the specified party or an acceptable substitute is available.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 8.0 - LOCAL OPERATOR SERVICES (continued)

8.2 Local Operator Assisted Services (continued)

8.2.2 Available Billing Arrangements

- A. Bill to Line** is a billing arrangement whereby the originating caller may bill the charges for a call to the Company-provided local exchange line from which the call is placed. The terms and conditions of the Company apply to payment arrangements.
- B. Calling Card** is a billing arrangement whereby the originating caller may bill the charges for a call to an approved local exchange carrier issued calling card. The terms and conditions of the local exchange carrier apply to payment arrangements.
- C. Collect Billing** - A billing arrangement whereby the originating caller may bill charges for a call to the called party, provided the called party agrees to accept the charges. The terms and conditions of the called party's local exchange company apply to payment arrangements.
- D. Third Party Billing** - A billing arrangement by which the charges for a call may be billed to a telephone number that is different from the calling number and the called number. The terms and conditions of the third party's local exchange company apply to payment arrangements.

8.2.3 Operator Dialed Surcharge

This charge applies to Operator Station and Person-to-Person calls for which the caller has the ability to dial the called number, but chooses instead to have the Company operator perform the dialing. This charge is in addition to local usage charges and applicable operator service charges.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 8.0 - LOCAL OPERATOR SERVICES (continued)

8.2 Local Operator Assisted Services (continued)

8.2.4 Partially Automated Surcharge

This charge applies to Operator assisted Station to Station calls (including those billed to calling cards) where the Customer dials the terminating number, and elects to have the operator handle billing, each.

8.2.5 Rates for Local Operator Assisted Services

	<u>Per call charge</u>
Customer dialed calling/credit card	\$0.50
Operator dialed calling/credit card	\$1.00
Operator station	
Billed collect	\$1.00
Billed to third party	\$1.00
Billed to line	\$1.00
Person-to-person	\$2.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 8.0 - LOCAL OPERATOR SERVICES (continued)

8.3 Busy Line Verification and Line Interrupt Service

Upon request of a calling party the Company will verify a busy condition on a designated local service line. The operator will determine if the line is clear or in use and report to the calling party. At the request of the Customer, the operator will interrupt the call on the busy line. Busy Line Interruption is only permitted in cases where the calling party indicates an emergency exists and requests interruption.

No charge will apply when the calling party advises that the call is to or from an official public emergency agency. Busy Verification and Interrupt Service is furnished where and to the extent that facilities permit.

The Customer shall identify and save the Company harmless against all claims that may arise from either party to the interrupted call or any person.

	<u>Per call</u>
Busy Line Verification	\$0.95
Line Interruption	\$1.40

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 9.0 - TOLL SERVICES

9.1 Toll Services General Description

Toll Services are offered for outbound calling for presubscribed Customers. Customers may access Toll Services with switched or dedicated access services for interLATA and/or intraLATA calling. Term plans and volume commitment plans are available which offer reduced rates in exchange for lower rates.

9.2 Residential Flat Rate Calling Plan

This service is offered to presubscribed residential Customers. Calls are billed in one minute increments, after an initial minimum call duration of one minute for billing purposes.

Per Minute	\$0.20
------------	--------

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 9.0 - TOLL SERVICES (continued)

9.3 Operator Assisted Toll

9.3.4 Per Minute Usage Charges

Rate Mileage	DAY		EVENING		NIGHT/WEEKEND	
	Initial Period	Each Add'l Period	Initial Period	Each Add'l Period	Initial Period	Each Add'l Period
1 - 10	\$0.1000	\$0.1000	\$0.0700	\$0.0700	\$0.0470	\$0.0470
11 - 16	\$0.1000	\$0.1000	\$0.0700	\$0.0700	\$0.0470	\$0.0470
17 - 22	\$0.1500	\$0.1500	\$0.1050	\$0.1050	\$0.0705	\$0.0705
23 - 30	\$0.1500	\$0.1500	\$0.1050	\$0.1050	\$0.0705	\$0.0705
31 - 40	\$0.1900	\$0.1900	\$0.1330	\$0.1330	\$0.0893	\$0.0893
41 - 55	\$0.1900	\$0.1900	\$0.1470	\$0.1470	\$0.0893	\$0.0893
56 - 70	\$0.2100	\$0.2100	\$0.1470	\$0.1470	\$0.0987	\$0.0987
71 - 85	\$0.2100	\$0.2100	\$0.1470	\$0.1470	\$0.0987	\$0.0987
86 - 100	\$0.2100	\$0.2100	\$0.1470	\$0.1470	\$0.0987	\$0.0987
101 +	\$0.2100	\$0.2100	\$0.1470	\$0.1470	\$0.1470	\$0.0987

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 9.0 - TOLL SERVICES (continued)

9.3 Operator Assisted Toll (continued)

9.3.5 Per Call Service Charges

The following per-call charges apply in addition to the per minute usage rates when applicable. These charges apply in all rate periods.

Service Charge Per Call

Customer Dialed Calling Card	\$0.70
Customer Dialed Credit Card	\$1.50
Operator Dialed Calling Card	\$1.50
Operator Dialed Credit Card	\$1.50
Operator Station	
Billed Collect	\$1.50
Billed to Third Party	\$1.50
Person-to-Person	
All Billing Methods	\$3.00

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 10.0 - MISCELLANEOUS SERVICES

10.1 Carrier Presubscription

10.1.1 General

Carrier presubscription is a procedure where a Customer designates the carrier which the Customer wants to use for intraLATA and interLATA toll calls, where available. Such calls are automatically directed to the designated carrier, without the need to dial carrier access codes or additional dialing to direct the call to the designated carrier. Presubscription does not prevent a Customer who has presubscribed to an intraLATA or interLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative long distance carrier on a per call basis.

10.1.2 Presubscription Options - Customers may select the same carrier or separate carriers for intraLATA and interLATA long distance. The following options for long distance presubscription are offered where available. Availability may be limited based on the capabilities of the Customer's serving central office:

- Option A:** Customer selects the Company as the presubscribed carrier for IntraLATA and InterLATA toll calls subject to presubscription.
- Option B:** Customer may select the Company as the presubscribed carrier for IntraLATA calls subject to presubscription and some other carrier as the presubscribed carrier for interLATA toll calls subject to presubscription.
- Option C:** Customer may select a carrier other than the Company for intraLATA toll calls subject to presubscription and the Company for interLATA toll calls subject to presubscription.
- Option D:** Customer may select a carrier other than the Company for both intraLATA and interLATA toll calls subject to presubscription

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 10.0 - MISCELLANEOUS SERVICE (continued)

10.1 Carrier Presubscription (continued)

10.1.2 Presubscription Options (continued)

- Option E:** Customer may select two different carriers, neither being the Company for intraLATA and interLATA toll calls. One carrier to be the Customers' primary intraLATA interexchange carrier. The other carrier to be the Customer's primary interLATA interexchange carrier.
- Option F:** Customer may select no presubscribed carrier for intraLATA toll calls, which will require the Customer to dial a carrier access code to route all intraLATA toll calls to the carrier of choice for each call.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

SECTION 9.0 - MISCELLANEOUS SERVICES (continued)

10.1 Carrier Presubscription (continued)

10.1.3 Rules and Regulations

Customers will retain their primary interexchange carrier until they request that their dialing arrangements be changed.

Customers may select either Options A, B, C, D or E for intraLATA presubscription. Option F allows the Customer to decline to choose an intraLATA carrier.

Customers may change their selected option or presubscribed toll carrier at any time subject to charges specified in 10.1.5.

10.1.4 Presubscription Procedures

A new Customer will be asked to select intraLATA and interLATA toll carriers at the time the Customer places an order for local exchange service. The Company will process the Customer's order for service. All new Customer's initial requests for intraLATA toll service presubscription will be provided free of charge.

If a new Customer is unable to select at the time it places an order for local exchange service, the Company will direct the Customer to the local telephone directory to select a carrier. Until the Customer informs the Company of its choice of primary toll carrier, the Customer will not have access to long distance services on a presubscribed basis, and will be required to dial a carrier access code to route all toll calls.

10.1.5 Presubscription Changes

After a Customer's initial selection of a presubscribed toll carrier, any change in the Customer's intraLATA or interLATA carriers will incur a PIC change charge under Section 4.1.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

11.0 - PROMOTIONAL OFFERINGS, VOLUME AND TERM DISCOUNTS

11.1 Special Promotions

The Company may from time to time engage in special promotional trial service offerings of limited duration (not to exceed 90 days on a per Customer basis for non-optional, recurring charges) designed to attract new Customers or to increase Customer awareness of a particular tariff offering. Requests for promotional offerings will be presented to the TRA for its review in accordance with rules and regulations established by the TRA, and will be included in the Company's tariff as an addendum to the Company's price lists.

11.4 Discounts

The Company may, from time to time as reflected in the price list, offer additional discounts based on monthly volume, monthly revenue commitment or time-of-day .

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS

12.1 Special Charges

12.1.1 Application of Special Charges

Special charges may apply in addition to the usual service connection charges and monthly rates when unusual investment or expense will be incurred by the Company. Special charges will apply when:

- A.** conditions require or the Customer request the provision of special equipment or unusual or nonstandard methods of plant construction, installation or maintenance or a move of the Company's facilities;
- B.** the Customer's location requires the use of costly private right-of-way; and
- C.** the proposed service is of a temporary nature, and the plant to be placed would not be useful to the Company in the general conduct of its business after that service was discontinued.

12.1.2 Customer Requirements for Special Charges

- A.** Temporary Construction - The Customer shall be charged the estimated cost of construction and removal of the plant which would not be of value to the Company, less the estimated net recovery value of the material used. The Company may require the Customer to pay the cost of construction plus the cost of removal, less salvage, for temporary construction performed in advance of permanent construction or to provide temporary service.
- B.** The Company shall retain title to all plant constructed, as specified within this tariff, provided wholly or partially at the Customer's expense.
- C.** When attachments are made to poles of other companies, instead of providing construction for which the Customer would be charged under the provisions of this section, the Customer shall pay the Company's cost for such attachments.
- D.** The Customer is required to pay the construction charges made by another telephone company providing facilities to connect with the facilities of the Company.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.2 Special Construction

12.2.1 Construction on Private Property

- A.** The Company will furnish an average amount of entrance and distribution facilities, provided the facilities are of the standard type normally furnished for the particular location or kind of service.
- B.** If additional entrance or distribution facilities are required, or if conditions require special equipment, maintenance or methods of construction, if the installation is for a temporary purpose, or if for any other reason, the construction costs are excessive as compared with the revenue to be derived from the project, the applicant may be required to pay for costs over and above the costs applicable for a normal installation.
- C.** The Customer will provide the Company upon request and without charge written permission for the placement of the Company's facilities on his property.
- D.** The Customer is responsible for providing satisfactory entrance to the building and space for mounting any necessary network protection equipment.

12.2.2 Temporary Service

Where plant construction is required to provide any temporary service or facility, or where it is necessary to place temporary construction in advance of permanent construction in order to meet the Customer's requirements, the Company may require the applicant to pay the nonrecoverable costs of the temporary construction or to contract for service beyond the initial period, or both.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.2 Special Construction (continued)

12.2.3 Service Provided to Movable Premises

- A.** When telephone service is provided to movable premises by means of aerial plant, the Customer shall provide a clearance pole if the Company considers it necessary. The clearance pole must comply with the Company's specifications. The Customer shall place, own and maintain the pole. However, if the Customer elects and the Company agrees, the Company will place, own and maintain the pole and bill the Customer the cost of placing the pole.
- B.** Where plant construction is required to provide any service or facility to a movable premises, and it is necessary to place temporary construction in advance of permanent construction to meet the Customer's requirements, the Company may require the applicant to pay the non-recoverable costs of the temporary construction or to contract for service beyond the initial period, or both.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.2 Special Construction (continued)

12.2.4 Service to Residential and Commercial Developments

The construction charges, allowances and provisions previously specified in this section contemplate the extension of facilities into areas of normal growth and development. Where facilities are to be extended into new areas of residential or commercial real estate development which, in the Company's opinion, are of a promotional or speculative nature, the Company may require an advance payment equal to all or a portion of the costs of such construction, depending on the circumstances in each case. This advance payment will be payable prior to the start of construction.

- A. The Company and the developer may enter into a contractual agreement that provides for the periodic refund of portions of the deposit as Customers in the development receive telephone service, and other terms of the contract are met. The contract will specify the estimated number of telephone Customers expected to receive service within the area and the time required to complete the project (not to exceed five years). The contract will provide that the construction charge be re-computed to reflect regular tariff allowances, design changes made by the developer, damage to telephone facilities by persons other than Company employees or agents or unusual construction requirements. Periodic refunds to the developer will be adjusted accordingly.
- B. The applicant for telephone service to a development is required to provide the Company, at his own expense, the necessary easements for installation and maintenance of telephone facilities, clear the ground where facilities are to be installed according to Company specifications and request installation of telephone facilities at an appropriate time during construction of the project to avoid unnecessary costs to the Company.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.2 Special Construction (continued)

12.2.5 Underground Service Connections

When a Customer requests that underground service connections be installed instead of aerial facilities which would ordinarily be used, or when aerial facilities are used to provide service, and the Customer subsequently requests that facilities be placed underground, the following regulations apply:

- A. the Customer shall pay the cost on constructing and maintaining underground conduits which will be built according to Company specifications;
- B. any ducts required in the underground conduit by the Company to furnish service shall be reserved for its exclusive use;
- C. if a Customer requests that cable be installed in a trench, the trench shall be constructed and back filled under the Company's supervision at the Customer's expense;
- D. the Company will maintain and replace cable installed in conduit where the Company has inspected and approved the conduit. The Company will repair or replace cable in conduit or trench necessitated by damage caused by the Customer or his representatives, only at the Customer's expense; and
- E. the Company may replace existing aerial facilities with underground facilities in connection with planned projects or during its normal operations. If a Customer requests the removal and replacement of existing aerial facilities with underground facilities prior to the time of normal replacement, the Customer will be responsible for the expense incurred by the Company in making the replacement.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.3 Special Service Arrangements

12.3.1 General

- A.** If a Customer's requirements cannot be met by regular service arrangements, the Company will provide, where practical, special service arrangements at charges equal to the estimated cost of furnishing such facilities. These special service arrangements will be provided if the provision of such arrangements are not detrimental to any other services furnished under the Company's tariffs.
- B.** If any type of qualifying special assembly device is subscribed to by more than three Customers, the Company shall file the offering as a general service offering in the appropriate tariff section.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

12.0 - SPECIAL CONSTRUCTION OR ARRANGEMENTS (continued)

12.3 Special Service Arrangements (continued)

12.3.2. Rates

- A.** Rates for special service arrangements are equivalent to the estimated costs of furnishing the special service arrangements.
- B.** Estimated costs, which consist of an estimate of the total cost to the Company of providing the special service arrangement, may include the following:
 - 1. cost of maintenance;
 - 2. cost of operation;
 - 3. depreciation on the estimated installed cost of any facilities used to provide the special service arrangement based on anticipated useful service life less estimated net salvage value;
 - 4. general administration expenses, including taxes on the basis of average charges for these items;
 - 5. any other item of expense associated with the particular special service arrangement; and
 - 6. an amount, computed on the estimated installed cost of the facilities used to provide the special service arrangement, for return on investment.
- C.** The estimated installed cost described above will include the costs of equipment and materials provided or used, plus estimated labor costs, including the cost of installation, engineering, supervision, transportation, rights-of-way, in addition to other items chargeable to the capital accounts.
- D.** Special service arrangement rates are subject to revision depending on changing costs.
- E.** If and when a special service arrangement becomes a tariffed offering, the tariffed rate or rates will apply from the date of tariff approval.
- F.** The rates for special service arrangements may be monthly rental or termination agreement with or without an installation charge; or an installation charge only.

Issued: November 29, 1999

Effective:

Issued By:

Jeffrey D. Smock
President and CEO

TNF9900

LIGHTNETWORKS, INC.

Attachment K

Y2K Procedures

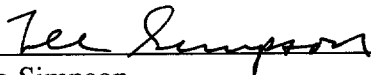
No Y2K plan is applicable as the Applicant's services will be deployed and/or put into service in Tennessee around mid-2000. Further, Lucent equipment to be used in the network is Y2K compliant and will be tested to insure compliance before any telecommunications services are deployed.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of LightNetworks, Inc., local application upon the enclosed listing of incumbent LECs operating in the state of Tennessee, by mailing such copy by first class mail, postage prepaid.

Dated at Technologies Management, Inc., Consultant to LightNetworks, Inc., 210 North Park Avenue , Winter Park, Florida 32789, this 26th day of November, 1999.

Technologies Management, Inc.

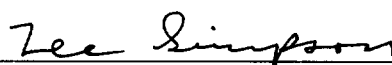


Lee Simpson

CERTIFICATE OF SERVICE

Notice is given that on November 29, 1999, LightNetworks, Inc. filed with the Tennessee Regulatory Authority an Application for a Certificate to Provide Competing Local Telecommunications. A copy of this application is available for inspection at the Tennessee Regulatory Authority or by contacting Technologies Management, Inc., 210 North Park Avenue, Winter Park, FL 32789 for a copy of said application.

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Ardmore Telephone Company, Inc.
Terry Wales, General Manager
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449 | 10. Sprint-United
Steve Parott, Director Regulatory
Affairs
United Telephone Southeast, Inc.
14111 Capital Boulevard
Wake Forrest, NC 27587-5900 |
| 2. BellSouth Telecommunications, Inc.
Guy M. Hicks, General Counsel
333 Commerce Street
Nashville, TN 37201-3300 | 11. Concord Telephone Exchange, Inc. |
| 3. CenturyTel of Adamsville | 12. Humphreys County Telephone Company |
| 4. CenturyTel of Claiborne | 13. Tellico Telephone Company |
| 5. CenturyTel of Ooltewah-Collegedale
G. Clay Balley
Director of Regulatory Affairs
P.O. Box 4065
Monroe, LA 71211-4065 | 14. Tennessee Telephone Company
John D. Feehan, Manager External
Relations
P.O. Box 22995
Knoxville, TN 37933-0995 |
| 6. Citizens Telecommunications Company
of Tennessee | 15. Crockett Telephone Company, Inc. |
| 7. Citizens Telecommunications Company
of the Volunteer State
Mike Swatts
State Regulatory Director, South
P.O. Box 770
300 Bland Street
Bluefield, WV 24701 | 16. People's Telephone Company, Inc. |
| 8. Loretto Telephone Company, Inc.
Louise Brown, President
P.O. Box 130
Loretto, TN 38469 | 17. West Tennessee Telephone Company,
Inc.
Jim Wingo, General Manager
P.O. Box 7
Friendship, TN 38034 |
| 9. Millington Telephone Company, Inc.
W.S. Howard, President
4880 Navy Road
Millington, TN 38053 | 18. United Telephone Company
Herbert Bivens, General Manager
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034 |



Lee Simpson, Technologies Management, Inc.